

STATESIDE / END OF AN ERA

Justices to Rule on Religious Schools

By Linda Greenhouse
New York Times Service
WASHINGTON — Reopening its long-running debate over religion and the public schools, the Supreme Court agreed Monday to decide whether New York State breached the constitutional boundary between church and state when it set up a school district to serve a community of Hasidic Jews who sought public education for their handicapped children but wanted to shelter the children from the outside world.

The case confronts the justices with one of the thorniest and most sensitive of current constitutional disputes: The extent to which the government may, or must, take account of religion and accommodate religious needs. The New York State Court of Appeals, the state's highest court, declared the school district unconstitutional in a July ruling that relied on Supreme Court precedent.

In its appeal, the Hasidic group is asking the court to use the case to re-examine its church-state precedents to permit greater constitutional accommodation of religious practice.

New York State, which is also appealing, told the justices that the

state court's decision was based on a misinterpretation of the Supreme Court's precedents, but that if the interpretation was, in fact, correct, then the leading precedent should be overturned.

The invitation to rewrite the constitutional law of church and state is not one that the justices will necessarily accept. Several times in the last few years, they have appeared on the verge of jettisoning the court's major precedent in this area, only to step back and issue a narrow ruling that has preserved an ambiguous status quo.

But the potential for a significant ruling is clearly there. Until the case is decided late next spring, the spotlight will be on the small religious enclave in Orange County where the Satmar Hasidim sought and won the help of secular neighbors and the state in preserving a distinctive way of life.

In 1977, they incorporated as an independent village, Kiryas Joel, carved out of the town of Monroe. And in 1989, they won the right, in a bill passed by the state legislature, to set up their own public school district. The Monroe-Woodbury Central School District, from which the Kiryas Joel Village School District effectively seceded, supported the establishment of the

new district and also filed its own lawsuit to have the district declared unconstitutional. The impetus behind the new district was not to serve the majority of Kiryas Joel's school-aged children, who are educated in private religious schools. It was to provide the public education in which the village's handicapped children are legally entitled but which, according to the community, their distinctive dress and practices made it very uncomfortable for them to receive in the Monroe-Woodbury public schools.

Until 1985, Monroe-Woodbury had provided special education services in an annex to one of the Kiryas Joel religious schools. But in an unrelated decision that year, the Supreme Court found the widespread practice of public school teachers teaching on religious school premises to be unconstitutional. The village then sought and won its own school district.

The single public school building, which serves about 100 children with special educational needs, has a secular curriculum and, unlike the religious schools in the village, is co-educational. The teachers are not Hasidic and do not live in the village. Instruction is in English rather than in Yiddish, the community's primary language.

The lawsuit to have the district declared unconstitutional was brought by Louis Grumet, executive director of the New York State School Boards Association, and Albert W. Hawk, president of the association. They said its creation had made the state government "an active sponsor of religious beliefs."

■ **LaRouche Can Get Funds**
The court also acted on these other issues. The Associated Press reported:

- It allowed an imprisoned political candidate, Lyndon LaRouche, to collect U.S. matching campaign money for his presidential bid last year. The court rejected the Federal Election Commission's argument that it properly denied money to Mr. LaRouche because he engaged in fraud and abuse in seeking matching funds for his earlier campaigns.
- It left intact a \$4.3 million award won by a subway station mngger from the New York City Transit Authority after he was shot and paralyzed while trying to escape.
- It agreed to decide whether federal regulators can force lawyers for failed savings and loan banks to pay damages for not exposing insider wrongdoing.

'Evil Empire' Is Relegated to History

New York Times Service
WASHINGTON — It's official: the Cold War is over.

Without hoopla, Congress last week passed the Friendship Act. Borrowing from Russia's tradition of rewriting history books, the act renounces the very idea of an arch-enemy that President Ronald Reagan once called the Evil Empire and repeals laws that even suggest an adversarial relationship between the United States and the former Soviet Union.

In its place, Congress embraced what the legislation calls the Emerging New Democracies and removed laws, regulations or policies that impeded relations.

Struck from the legal record are yellowed references to the "worldwide communist conspiracy" found in the Internal Security Act of 1950. Gone are allusions to "international communism and the countries it controls" in the Foreign Assistance Act, along with condemnations of Soviet slave labor in the Omnibus Trade and Competitiveness Act of 1988.

Disavowed is the primary goal of post-World War II foreign policy, to defeat "communism or Communist-supported aggression."

But Congress denied any attempt to "rewrite or erase history, or in forget those who suffered in the past from the injustices or repression of Communist regimes in the Soviet Union."

Rather, it said, the aim is to "update United States law to reflect changed international circumstances."

Still, the act is largely symbolic, a first step in a process of regulatory review. The United States is now engaged in discussions of how best to reform the apparatus controlling sensitive exports in light of the new relationship with the nations formed after the disintegration of the Soviet Union.

President Bill Clinton asked Congress to review Cold War restrictions on the former Soviet republics after a request from President Boris N. Yeltsin at their meeting in Vancouver in April.

He strongly urged Congress to pass the new policy before it adjourned for the year so that he could show Mr. Yeltsin that the United States was committed to democratic reform in Russia when the two presidents meet again in Moscow in January.

The legislation acknowledges that many statutes are obsolete, but it states that all of the provisions amended or repealed "were relevant and appropriate at the time of enactment."

The updating effects an array of trade and business provisions, cultural and educational programs, arms control and environmental regulations, diplomatic and consular affairs and military training and research.

Congress, for example, repealed the section of the Internal Security Act of 1950 that created the Subversive Activities Control Board, whose job was to ferret out Communist organizations in the United States. Many of the act's provisions had already lapsed or been ruled unconstitutional.

Other provisions repealed have potentially greater significance. For instance, Russia is no longer specifically prohibited from obtaining some of the military technology produced in connection with the Strategic Defense Initiative, the moribund anti-missile defense program.

But Congress declined to lift some of the trade restrictions that Russia wants removed in order to create a more stable investment environment.

The Jackson-Vanik Amendment to the 1974 Trade Act, which restricted trade with the Soviet Union because of its anti-Semitic policies, has only been temporarily waived.

The Friendship Act's goal of supporting democratic and economic reform did not make it immune to detractors. To gain passage of the bill, Congress had to make concessions to Republicans who considered some of the measures premature.

An amendment sponsored by Representative Dana Rohrabacher of California and Senator Jesse Helms of North Carolina orders that a monument be built to the victims of communism.

The purpose of the monument, Mr. Rohrabacher said, is to "ensure that history will not diminish the evil nature of this theory and the threat it posed to the people of the 20th century."



HAIL TO THE SHOO-IN — Luis Donald Colosio Murrieta, 43, minister of social development, saluting supporters in Mexico City after the Institutional Revolutionary Party picked him to succeed President Carlos Salinas de Gortari. The party's candidates have won since 1929.

Liberal Attorney Wins Honduras Presidency

Compiled by Our Staff From Dupucher
TEGUCIGALPA, Honduras — A liberal attorney imprisoned by previous dictatorships has won the fourth civilian presidential elections in Honduras since the end of military rule.

According to the National Elections Tribunal, the attorney, Carlos Roberto Reina, led the candidate of the governing National Party, Oswald Ramos, by 54.1 percent to 42 percent with 617,775 votes counted.

Mr. Ramos conceded defeat and offered congratulations, a remarkably calm handing over of power between two parties that have often fought civil wars.

"We have won the battle," Mr. Reina said in the capital, Tegucigalpa.

Olban Valladares of the Social Democratic Union and Innovation Party and Orlando Triarte of the Christian Democratic Party trailed with 2.76 percent and 1.08 percent of the vote, respectively.

Mr. Reina's victory meant that the Liberal Party would take power again after a loss four years ago to Rafael Leonardo Callejas.

Mr. Reina, 67, a lawyer with a human-rights background, campaigned on pledges to continue economic reforms and, at the same time, to help ease the plight of Honduras's poor people.

An estimated 8 out of 10 Hondurans live in poverty.

Mr. Reina also said that he would attempt to clean up governmental corruption and curb the power of a military that retains

strong influence both in the public and private sectors.

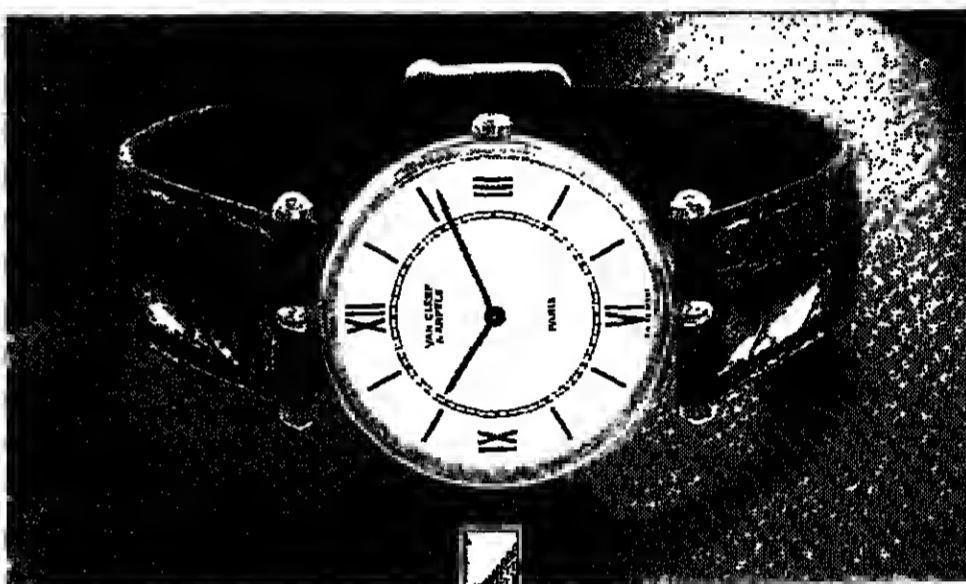
About 13,000 troops and police were on the streets of Honduran cities to guard against violence during the election, which was preceded by an increasingly tense climate.

Police said that five people had been killed in the days leading to the vote, but there was less turmoil than feared.

Mr. Ramos, 46, who also is an attorney, had said that he would continue the free-market policies put in place by Mr. Callejas after he won the presidency in 1990, but would add programs to aid the poor.

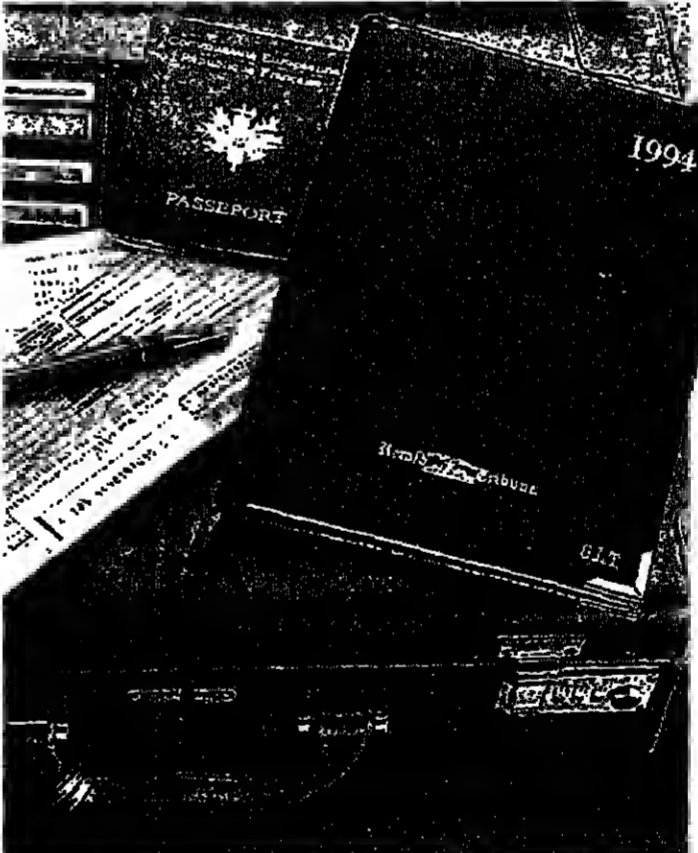
Voters also were to elect three vice presidents and 128 deputies to the National Assembly in the fourth general elections since 1982, when the Honduran Army ceded control of the government to civilians after 20 years of military rule.

(AP, Reuters)



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POLITICAL NOTES

★ **First Lady's Aide: Quiet Star**
WASHINGTON — Margaret Williams, Hillary Rodham Clinton's chief of staff, stood behind her desk in the Old Executive Office Building, her normally cheery face looking reluctant and resigned.

After several weeks of discussions, she had finally agreed to be interviewed, but now she was wheedling, trying to negotiate the size of the article (small, she hoped) and avoid being photographed.

"Photo?" she asked in a panicked voice. "You really need a photo?"

Her boss is not a typical first lady, and Ms. Williams is not a typical first lady's chief of staff. She is the first to be an assistant to the president as well. While her duties involve counseling Mrs. Clinton on questions of image, they also include overseeing meetings on health care three times a week that involve some of President Bill Clinton's senior aides.

Despite her position, Ms. Williams said she preferred to stay out of the limelight.

"It's not that I'm shy — I just don't think this is part of my job," she said. "I'm accountable to Mrs. Clinton, to the president, to the staff. There are just so many hours in the day."

Ms. Williams, 38, who is black, uses the invisibility and low expectations that often accompany assumptions about race, sex and youth to her advantage.

"When people aren't worried about you, you don't have to worry about them," she said. (NYT)

★ **Fixing Clinton Foreign Policy**
WASHINGTON — After long, delicate negotiations, President Clinton's foreign policy advisers believe they have won a key bureaucratic victory: They have persuaded the president to set aside an hour a week for a discussion of international affairs.

Then again, maybe not. The president sat still Nov. 12 for a contemplative session with Secretary of State Warren M. Christopher, Defense Secretary Les Aspin and the national security adviser, W. Anthony Lake — but he has not repeated the feat.

"He's been busy with other things," a senior official said.

Mr. Christopher asked Mr. Clinton to lock the foreign policy meeting into his schedule as a weekly lunch or breakfast — but that ran into opposition from the White House guardians of the president's frenetic schedule.

Mr. Clinton has not been neglecting foreign policy. But the struggle over his schedule reflects a problem some aides have fretted over for months: His attention to foreign affairs has been sporadic, driven by crises and insufficient to run things smoothly.

That lack of presidential participation, some officials said, contributed to the setbacks Mr. Clinton suffered earlier this year in Somalia, the Balkans and Haiti.

Presidential aides are now trying to fix the foreign policy machinery, without publicly admitting that it was ever broken.

The changes under way range from Mr. Clinton's acceptance of Mr. Christopher's plea for a weekly meeting to new State Department "coordination" for policy in Somalia and other trouble spots. (LAT)

★ **Quote / Unquote**
Tran Van Thinh, European Community negotiator for the General Agreement on Tariffs and Trade, on EC-U.S. talks on farm trade: "The Americans have agreed to discuss all the issues. The problem now is to know what price they will make us pay for it. If they give us a mouse, we will not pay with an elephant." (Reuters)

Away From Politics

• On-the-job programs to help employees deal with alcohol and drug abuse may aid a limited number but cannot solve the nation's drug and alcohol problems, federal researchers said. A committee of the National Research Council and the Institute of Medicine — both chartered by Congress — reported there was only limited evidence that drug- and alcohol-abuse programs were effective.

• An Atlas-2 rocket placed a \$160 million Defense Department communications satellite in orbit on Sunday from Cape Canaveral, Florida.

• Millions of Americans with rotting teeth and other oral diseases are not seeing dentists, primarily because they can't afford it, according to a study released Monday. Americans' overall oral health has improved dramatically in recent years, with the advent of fluoride and better dental education, said a report by the Public Health Service. But minorities, the poor and the elderly still have too many

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Britain on Colony: Ready to Act Alone Move Backed in Hong Kong

By Kevin Murphy
International Herald Tribune

HONG KONG — Exasperated by the slow pace of talks with China over electoral reform in Hong Kong, Britain is poised to act alone on some of the proposals, a strategy that won support from three important political parties here on Monday.

Despite a warning from pro-Beijing groups that any unilateral move would jeopardize Chinese-British cooperation, parties representing a slight majority in Hong Kong's 60-seat Legislative Council said they would back Britain's strategy to speed the negotiations.

The talks went into limbo on Saturday when a 17th round of discussions in Beijing concluded with both sides saying that large gaps remained between them and no date being set for an 18th round.

Hong Kong, which has long embraced the talks as a preferable alternative to open friction between Beijing and London, has grown weary of the apparent stalemate.

Hong Kong stocks fell Monday as speculation swept the market that the Hong Kong governor, Chris Patten, would press ahead unilaterally. The Hang Seng index closed down 261.65 points, or 2.82 percent, at 9,012.77.

China has fiercely opposed a series of proposals first announced by Mr. Patten in October 1992 that were designed to broaden the electorate for the last elections to be conducted under British rule. That rule ends in 1997.

However, on Monday, the United Democrats, led by the pro-democracy advocate Martin Lee; the pro-business Liberal Party; and a smaller group, Meeting Point, indicated their willingness to back a move that may risk greater confrontation with Beijing.

The three parties said they would support legislation to lower Hong Kong's voting age to 18; establish a one-vote, one-seat format for future elections; and abolish a system where many local municipal officials are appointed, opting instead for direct elections.

China has yet to respond officially to these developments, but in editorials three Beijing-backed Hong Kong newspapers urged



MIXED RESULTS IN INDIA — Prime Minister P.V. Narasimha Rao of India, left, with Manmohan Singh, a Sikh leader, after Mr. Rao received a turban Monday in New Delhi. State election results were mixed for Mr. Rao's Congress Party and the Hindu nationalist party.

Deadly Plunder on High Seas Asian Pirates Grow Bolder and More Vicious

The Associated Press

SYDNEY — Chinese workers who boarded the hijacked Australian freighter *Ernia Inge* to cut it up for scrap smelled something foul and began a search to find the source.

In a long-unused refrigerator, they found the remains of 10 men who had been splashed with gasoline and burned to death.

The hijacking of the 17,000-ton *Ernia Inge* and its deadly last voyage underline the growing audacity and viciousness of pirates in Asian waters.

The killings, the men's identities and why their bodies were left aboard remain a mystery.

"If you murder some people, you certainly wouldn't leave them where you killed them," said Erik Boas, the Australian owner of ship, which was hijacked in 1991 and re-registered several times. "You would throw them overboard."

In another fatal attack, pirates who boarded the Danish-owned freighter *Baltimar Zephir* off Indonesia in December 1992 killed the British captain and his first officer, a Filipino.

This year, the International Maritime Bureau has recorded more than 90 pirate attacks by Nov. 20. Mazlan Abdul Samad, director of the bureau's office in Kuala Lumpur, said many more go unreported.

Recorded attacks totaled 106 last year and 107 in 1991, but only 33 in 1990 and just 3 in 1989, according to the bureau, which was set up by the International Chamber of Commerce to monitor piracy.

The International Maritime Organization, a United Nations agency, agrees that piracy is on the rise in Asia. Its ranking expert on piracy, Edward Agbakoba, said by telephone from London that the agency had tallied about 450 pirate raids since 1984.

"We reckon that we receive reports of about half the attacks that happen," he said.

Forty-nine of the attacks investigated by the Maritime Bureau from January through August 1993 occurred in the South China Sea and North Asia, and only 10 were outside Asia.

Pirates leave shore in speedboats to board and seize larger ships. To guard against attack, captains post watchmen and keep fire hoses ready to repel boarders. Some even wrap their hulls with barbed wire.

In most cases, pirates board a vessel to loot the captain's safe, which may contain tens of thousands of dollars for payroll and port fees. They also steal cargoes and sometimes go directly to a particularly valuable freight container, indicating they have inside information.

Hijackings, as in the *Ernia Inge* case, are less common.

Shots were fired in more than one-fifth of the attacks recorded by the Maritime Bureau this year.

Asian sailors are usually unarmed and would rather abandon ship than fight to save a cargo for some remote shipping contractor. Many pirates around Singapore and the Strait of Malacca have threatened to cut off the ears or noses of any sailors who resist.

Ship captains in other parts of the world have taken precautions that may have deterred piracy.

"Most people traveling on the ocean, especially in the Caribbean, are armed," said a U.S. Coast Guard spokesman, Joe Dye, whose 7th District includes much of the Caribbean and Gulf of Mexico. Of piracy, he said, "You can count the number of cases on one hand in the last 10 years."

After being reregistered, stolen ships are hired out to haul legitimate cargoes. Some of the cargoes are delivered. Others are stolen.

Such was the fate of the *Ernia Inge*, hijacked from India in April 1991 with \$2.5 million worth of soybean meal aboard that was sold in Bangkok.

Two years later, the ship found its way to the scrap dock in Shunde, China.

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	12.45	TUE/THU/SAT
BIRMINGHAM	10.30	DAILY
BRUSSELS	19.30	DAILY
COLOGNE	08.45	WED/FRI/SUN
FRANKFURT	11.25	DAILY
GENEVA	18.30	MON-FRI/SUN
	21.40	SAT
LYON	14.25	MON/WED/FRI/SUN
LONDON	14.00	DAILY
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Japan Prosecutor Held In Beating of Suspect

Compiled by Our Staff From Dispatches

TOKYO — A Japanese state prosecutor was arrested on Monday and charged with beating a man he was interrogating about a major construction scandal, Justice Ministry officials said.

Hitoshi Kanazawa, 33, was fired and formally charged under a special law banning violence during investigations, officials said. Three of his superiors were reprimanded.

Although human rights groups and lawyers in Japan often have accused the authorities of using violent interrogation tactics, Mr. Kanazawa is the first prosecutor to be fired for using violence against a witness, according to Justice Ministry records.

He is accused of slapping a lumber company executive and threatening to throw him out a 12th-floor window on Oct. 14 during an interrogation. The prosecutor was investigating a bribery scandal involving construction executives and politicians.

The executive, whose name has not been disclosed, filed a lawsuit against the government on Nov. 8, saying he had received cuts that required two stitches and a week of treatment.

"For a prosecutor to have used such violence against a witness is impermissible in a country ruled by laws," Justice Minister Akira Mikazuki said.

He denied that Mr. Kanazawa's actions reflected common practice among prosecutors. Japan has no law regulating the length of interrogations, and lawyers for witnesses or suspects are not usually present.

So far, two provincial governors, two mayors and more than 20 executives of several construction companies have been arrested in connection with the scandal over bribes for favored treatment in public works projects.

Among those arrested is the president of the executive's company, Mitsuo Moriya. He is accused of acting as an intermediary for bribes involving the local governor.

(Reuters, AP)

J.R.D. Tata Dies at 89, Industrialist in India

The Associated Press

BOMBAY — J.R.D. Tata, 89, a pioneer of Indian industry and founder of the airline that eventually became Air India, died Monday in Geneva. He had been suffering from kidney infection and fever for several weeks.

Mr. Tata was one of the most influential figures of India, though he stayed away from active politics.

In 1926, he became a director of Tata Sons Ltd. holding company. In 1938, he became its chairman in 1938, effectively heading the family empire that made everything from soap to trucks and ran India's leading luxury hotel chain.

The Tata group comprises more than 80 companies, employing 250,000 workers belong to Together, they had an annual turnover of 140 billion rupees, or \$4.5 billion.

Jahangir Ratanji Dadabhai Tata, who was known as JRD, was born in Paris.

He traveled frequently between France and India as a youth and was conscripted for a year's service in the French Army. In 1929, three years after he inherited Tata Sons, he relinquished his French citizenship.

As a boy he became enthralled with aviation and in 1932 he inaugurated the Tata Aviation Service with a flight from Bombay to Karachi, now in Pakistan. His company, later named Tata Airlines, was nationalized in 1953 and became Air India.

Mr. Tata stepped down from the Tata group in 1991 and handed over his company to his nephew, Ratan Tata.

After his retirement, he mediated

one of the biggest boardroom battles of Indian industry for control of Tata Iron and Steel Co., one of the largest companies of his group.

Garry Moore, 78, Early TV Personality

HILTON HEAD ISLAND, South Carolina (AP) — Garry Moore, 78, an early TV pioneer known for his charm, comic personality and long-running variety show, died of emphysema Sunday.

Mr. Moore was the host of the "The Garry Moore Show" off and on from 1950 until 1967. He also was the star of the quiz shows "I've Got A Secret" which ran from 1952 to 1966, and "To Tell the Truth," a syndicated show that ran from 1969 to 1976.

Alfred Seidl, 82, a defense lawyer at the Nuremberg war crimes trial, died Thursday in Munich after he became ill. He defended Rudolf Hess, Hitler's deputy, and Hans Frank, the Nazi governor of Poland, who was executed. Hess received a life term, served more than 40 years and hanged himself in prison in 1987.

Grande Otelo, 78, a Brazilian comic actor, died of a heart attack Friday at Roissy-Charles de Gaulle airport near Paris after arriving from Brazil. His real name was Sebastiao Bernardo de Sousa Fraga. A popular actor who starred in dozens of movies, he had been invited to a film festival in Nantes.

William J. Trent Jr., 83, who helped form the United Negro College Fund and ran it for 20 years, died Saturday in Greensboro, North Carolina.

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OPINION

The Balkans and Pyongyang Need Both Carrot and Stick

By William Safire

WASHINGTON — In trying to inculcate a spirit of cooperation in a rambunctious child, a stubborn donkey or a rapacious nation, the parent, master or diplomat must ask: Which works best, the promise of reward or the fear of punishment? The carrot or the stick?

In the Balkans, the Chamberlain for our time, Lord Owen, after blaming the United States for failing to supply the troops to force his surrender terms on the Bosnians, is among those Europeans now touting a get-tough-with-Serbia policy. The notion is to relax economic sanctions in the hope of persuading Belgrade to respond to this kindness by giving back a little of the land seized from Bosnia by its agents.

However, on the opposite side of the world, where American policy is less lightly dismissed by allies, President Bill Clinton is moving in the other direction. In response to Communist North Korea's development of nuclear weapons, and its massing of 800,000 troops on the border of South Korea, the Clinton administration is thinking of holding out the carrots of appeasement.

To yank America's chain, the North's 81-year-old Kim Il Sung demands that it call off annual training exercises with the country it long ago saved from invasion. Out comes the carrot: We Ameri-

cans are likely to dispense with this regular demonstration of our resolve. America's ally in South Korea is less concerned with the long-term threat of nuclear bombs than with the short-term possibility of conventional invasion from the North. The South does not want Washington to respond to the North's renunciation of the Nuclear Nonproliferation Treaty with economic sanctions because that might wave a red flag in front of a crazed bull, triggering a replay of old-style hostilities called the Korean conflict.

Thus, on both sides of the world, the inclination of the only superpower to use at least the stick of sanctions against rogue regimes that threaten their neighbors is vitiated by allies with a distinct preference for using carrots. In Asia, at least the United States is accompanying some of its conciliatory gestures with a few specific threats. A United Nations-approved oil squeeze on the North, a pariah nation not as self-sufficient as advertised, is talked about. And one presumes that South Korea has been told that unless its well-financed intelligence agency can pinpoint all the nuclear development sites in the North, it is not serious about the need for the continued presence of American troops on the peninsula.

In Europe, however, President Clinton is insisting on no such combination of carrot and stick. Bold talk of NATO air action against Serbian gunners shelling civilians turned out to be the usual bravado. Long unwilling to risk a defeat in the Security Council on hitting the United Nations arms embargo for Bosnians who want to defend themselves, Mr. Clinton now sinks away from denouncing the newest appeasement.

Failure to apply the stick will haunt those Europeans who silently hope that the Serbs have provided an ethical cleavage of the Muslim problem. Already a trickle of Afghans — well-armed, fanatic fundamentalists who are the fiercest professional guerrillas in the world — has begun to infiltrate Bosnia, looking for a good war. Financed by Iran, more may follow across porous borders, to "protect" and radicalize secular Bosnian Muslims and establish a militant Islamic beachhead in Europe.

To the question of which works best, carrot or stick, the answer is "both," but first the stick must be a credible threat. Some etymologists say "the carrot and the stick" warps the original figure of speech: it was originally a stick tied around the neck of a donkey with a carrot dangling from the end in front of the animal's nose — "the carrot on the stick."

The older metaphor was more complex than reward-or-punishment. In diplomacy from the Balkans to the Korean Peninsula, the ever receding carrot works only with the deceptive stick.



A Crucial Role in the Cities For Women, the Civilizers

By William Raspberry

WASHINGTON — A.I.T. Allen has been thinking about inner-city violence and family deterioration in America. She has read the politicians, the sociologists and the pundits. And she thinks everybody has it wrong. The call by liberals has been for more social programs funded by government money," she told me recently. The

MEANWHILE moderates want more job opportunities to lure males away from drugs and violence. The conservatives want to re-establish traditional values of marriage and hard work — all in an attempt to end the problems faced by inner cities. And the emphasis has been on the African-American male" — as the missing father and as the perpetrator and victim of violence.

"It occurs to me," Ms. Allen added, "that perhaps we are focusing on the wrong group. Our efforts should be aimed at reaching not the males but the females. If, under some ideal situation, we could bring millions of well-paying evolution of a market system. But unless there are rudimentary institutions that can be readily converted to effective market-based structures to facilitate the production and distribution of goods and services, the transition process will be unnecessarily long and difficult.

PRADUMNA B. RANA, J. MALCOLM DOWLING JR. Manila. The Old Imperialism Regarding "Security in the Neighborhoods Is the New Mission" (Opinion, Oct. 26) by Jim Hoagland: To say that U.S. involvement in the Caribbean, "whatever its flaws, is in no way comparable to Russia's imperialistic and brutal overwhelming of its neighbors in the past" identifies the author as one who has read the history of Soviet foreign involvement but not that of his own country. It would be hard to know where to start cataloging U.S. brutality in Central America and the Caribbean: the filibusters who invaded the area in the mid-19th century; with the U.S. bombing of Guatemala City in 1954 to bring down a democratically elected government; with the U.S. backing of brutal dictators in almost every country.

LETTERS TO THE EDITOR

Harriman the Hard-Liner

Regarding "A Reminder of the Perils Ahead" (Opinion, Nov. 27):

Stephen S. Rosenfeld's attack on Averell Harriman reads like a regression to the days of Joseph McCarthy. To indict Mr. Harriman, who was almost the first of the Roosevelt administration hard-liners, at having been soft on the Soviet Union shows an ignorance of the history that shows a columnist who pretends to write with authority on foreign affairs.

As early as 1944, Mr. Harriman warned the State Department: "We may look forward to a Soviet policy of playing the part of world bully if we don't follow this procedure of firmness now." He added, not long afterward, "If the policy is accepted that the Soviet Union has a right to penetrate her immediate neighbors for security, penetration of the next immediate neighbors becomes at a certain time equally logical." Other warnings followed.

The Bangs Reverberate

Regarding "Give the Bangs Time to Work in Eastern Europe" (Oct. 23) by Christopher Lingle and Kurt Wickman:

The authors, in a critique of our article ("East Europeans Could Learn From Asian Patience," Opinion, Oct. 22), present an apologia for the record of economic reforms achieved in Eastern Europe and the former Soviet Union. Indeed, apologies are in order.

From 1989 to 1992, output in these countries fell anywhere from 17 percent to 22 percent in Hungary, Poland and the former Czechoslovakia, 26 percent in Romania, and 37 percent in Bulgaria. The annual inflation rate soared to an average of 20 percent in Hungary and the former Czechoslovakia, 100 percent in Romania and Bulgaria and more than 200 percent in Poland.

THE DOWNING STREET YEARS

By Margaret Thatcher. Illustrated. 914 Pages. \$30. HarperCollins.

Reviewed by Michiko Kakutani DURING her 11 and a half years as Britain's prime minister, Margaret Thatcher collected a lot of praise and a lot of abuse. George Bush hailed her as "the green-grocer's daughter who shepherded a nation to her will," and others praised her as a successor to Churchill and the greatest postwar prime minister since Gladstone.

BOOKS

WHAT THEY'RE READING

• Hugh Mortimer, of the British Embassy's office in Berlin, is reading Paul Theroux's "The Happy Isles of Oceania: Paddling Across the Pacific."

"This is a fascinating account of South Pacific cultures and traveling in that region. I have visited Micronesia, and this book really caught my fancy since I know much of the region personally. It is a wonderful travelogue." (Michael Kallenbach, IHT)

THE DOWNING STREET YEARS

in a highly unreflective narrative, virtually devoid of retrospective analysis. Certainly, this is an important part of the historical record, but for the lay reader, it can make for sultry reading. As for Thatcher's prose, it tends to vacillate between the pallid and perfunctory ("Dubai is enchanting") and the bombastic or exhortatory. She characterizes the Falklands War as "an issue of dictatorship vs. democracy" and later crowns that "right had prevailed."

CHESS

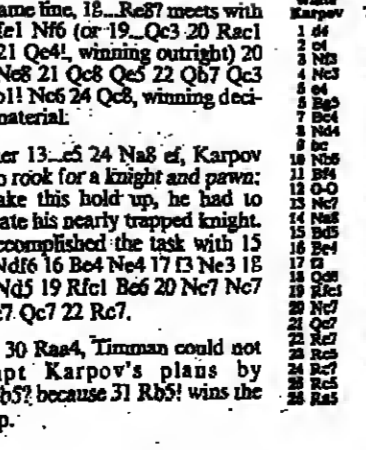
By Robert Byrne

THE theme of the Vienna Variation is for Black to give up his stronghold in the center with 4...c5 and to counterattack later with 6...c5, as in the Queen's Gambit Accepted. In one of its main lines, Black is ready to sacrifice a piece after 7...c5 8 Qc4 Nc6 9 O-O-O Bd7 10 Nc4 Bc7 11 e4-gf 12 Bb4 to obtain a treacherous counterattack with 12...Re8. Currently, White is avoiding it, as Anatoli Karpov does here.

CHESS

Timman still had the opportunity to transpose into the best defense with 32...Bd5 33 Rf4 Bc6, but once again he did not take it. His 32...g5 represented a severe weakening of his kingside pawns.

What Timman's wrong plan got him can be seen after 39 Ra5; Karpov had a decisive passed a3 pawn, against which the split black kingside pawns were worthless.



CHESS

QUEEN'S GAMBIT DECLINED

Table with columns for White and Black moves, listing chess moves like 1 d4, 2 c4, 3 Nf3, etc.

TO CALL ONE FOREIGN COUNTRY FROM ANOTHER. SPRINT GIVES YOU A HANDFUL OF OPTIONS. Includes a list of countries and phone numbers, and an illustration of a hand holding a telephone receiver.

In This Democracy Is Totten

Vertical text on the right edge of the page, including page number '993' and 'ge 7'.

15 on Trial in Palermo in a Key Mafia Case

PALERMO, Sicily — Fifteen of the Mafia's biggest names, including Salvatore (Totò) Riina, the capo di tutti i capi, went on trial Monday in a hearing that many observers see as a showdown between the Italian state and the 'ndrangheta.

BALLADUR: France Leans Toward Compromise

Continued from Page 1
The rules governing world trade reached a tense climax, the political debate in France has grown to a feverish pitch, in some ways resembling the struggle in the United States to approve the North American Free Trade Agreement.

European foreign ministers should examine a draft text as early as Thursday when they gather in Brussels. He said European governments and parliaments would then make their assessment and determine whether it could be initiated by Dec. 15.

MILITARY: The Russian Army Focuses on Peacekeeping in Neighboring Republics as Post-Cold War Mission

Continued from Page 1
Faced with new and closer frontiers, a smaller budget and fewer people from whom to draw its troops, Russia has moved to overhaul its doctrine. By and large, that task has been left to the brass.

No Letup in Moscow's Nuclear Strategy

New York Times Service
MOSCOW — Deep in the Ural Mountains, Russian engineers are busy building a vast underground command post to use in case of a nuclear war.

the way it talks about nuclear weapons. Its new doctrine drops Moscow's longstanding pledge not to strike first with nuclear weapons; instead Russia reserves its right to use nuclear weapons first against nuclear states and against non-nuclear states that are in alliance with nations that have nuclear weapons.

It has had a far smaller effect on Russia's nuclear deterrent. According to Western estimates, there are about 10,000 strategic nuclear warheads in the former Soviet Union, including about 7,000 in Russia. The Russian military maintains effective control of those in Belarus and Kazakhstan.

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Hong Kong Designers Invade Paris

PARIS — The first bamboo shoots of creative inspiration are coming out of the East. Hong Kong designers are starting to return to their roots and look to their own cultures...



Peter Lau's transparent layers creating a soft long-line silhouette.

revolutionary Imperial past. A brighter, brighter color palette was used by knitwear designer Ringo Wong and for the gilded and red brocade outfits of Roddy Leung...



Using Braquerie furnishing fabrics for Givenchy blouse and pants, Ricci dance dress and Dior full-sleeved coat.

In '90s, Home Is Where the Art Is

By Suzy Menkes. PARIS — This is a time when Parisians are expected to demonstrate their superior art of dressing up for the festive season. But this year, home is where the art is...



Hubert de Givenchy: selling.

Hubert de Givenchy is selling a collection of furniture and decor. The collection includes a large, ornate clock and a candelabra.

The Length of Things to Come?

By William Grimes. NEW YORK — Life is short. Art is long. Actually, these days, very long. And getting longer...

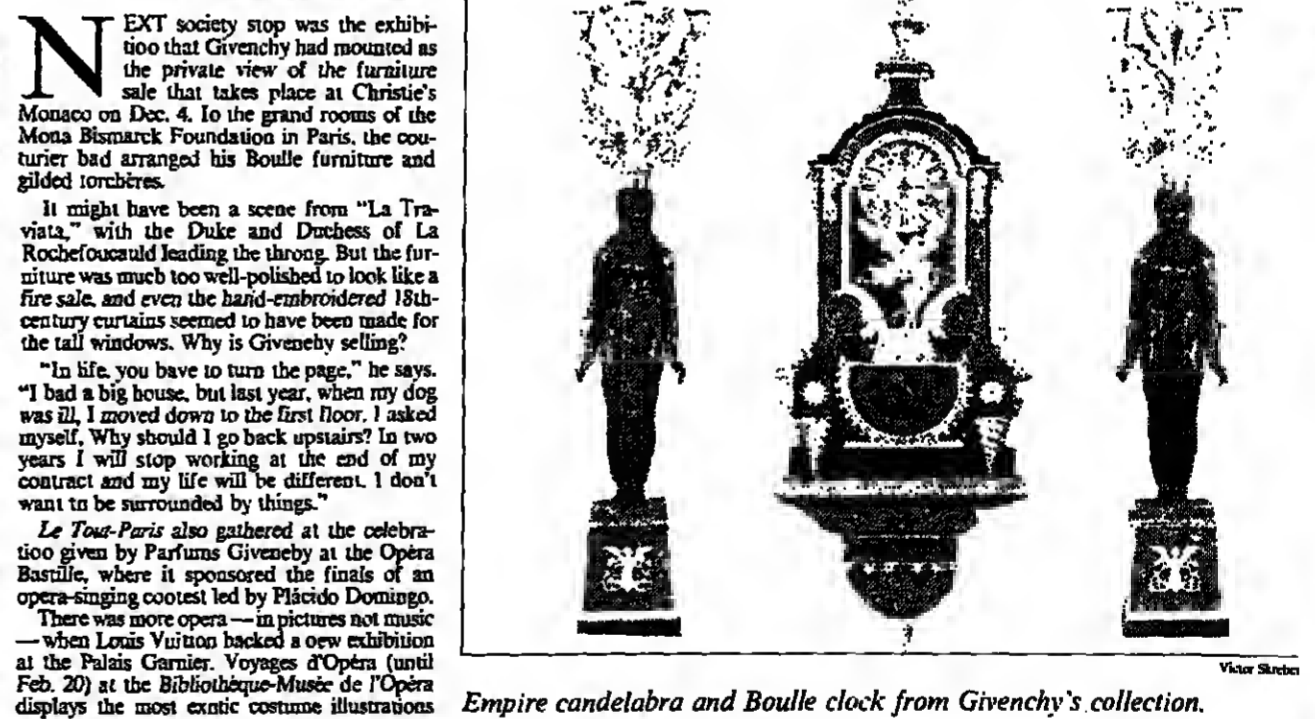


Publishers also find that as book prices climb, size has a beneficial effect on what the industry calls perceived value. When customers shell out \$30 for a book, they want to feel some heft under their arm...

Want to take in a movie? It used to be a 90-minute proposition. The lineup includes: 'Carillo's Way' (2 hours, 21 minutes), 'Mrs. Doubtfire' (2 hours, 5 minutes), 'A Perfect World' (2 hours, 17 minutes)...

THREE-HOUR movie, a thousand-page book or a six-hour play, like the 'bumblebee,' should not be able to fly. In the television era, particularly its MTV phase, the nation's cultural attention span is supposed to be contracting at warp speed...

Empire candelabra and Boule clock from Givenchy's collection. The candelabra is a large, ornate piece with multiple arms, and the clock is a round, decorative wall clock.



Empire candelabra and Boule clock from Givenchy's collection.

Advertisement for 'Education Directory' and 'Degree Courses' by 'The Education Directory'.

Advertisement for 'Van Cleef & Arpels' jewelry, featuring a necklace and a ring.

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NYSE

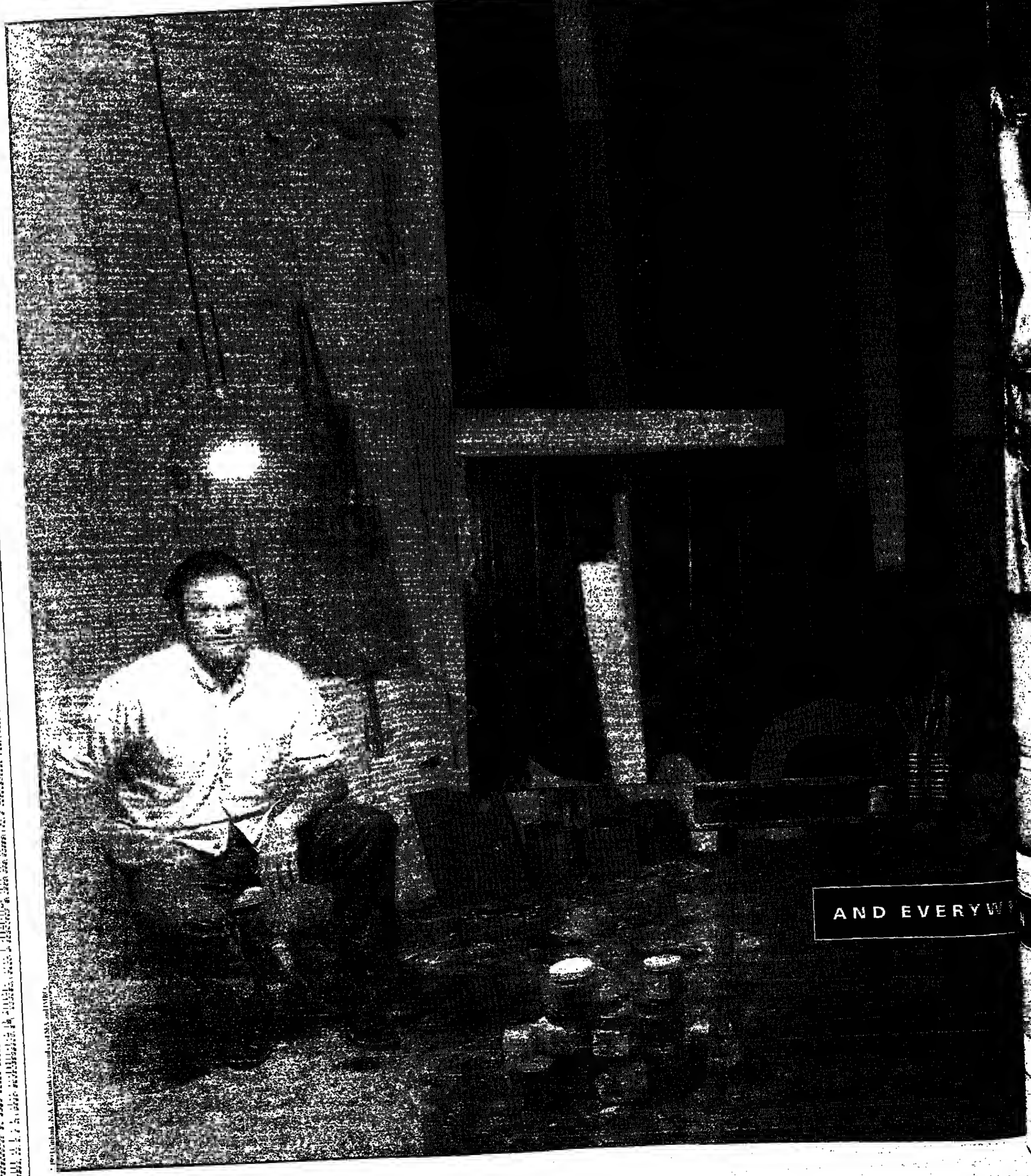
Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect any trades elsewhere. Via The Associated Press

12 Month High	12 Month Low	Div	Yld	PE	High	Low	Label	Chg
120	100	1.00	4.00	15.00	110	105	IBM	+5
150	130	1.50	4.50	12.00	140	135	Microsoft	+5
200	180	2.00	5.00	10.00	190	185	Apple	+5
250	230	2.50	5.50	9.00	240	235	Oracle	+5
300	280	3.00	6.00	8.00	290	285	Sun	+5
350	330	3.50	6.50	7.00	340	335	Lucent	+5
400	380	4.00	7.00	6.00	390	385	Motorola	+5
450	430	4.50	7.50	5.00	440	435	Qualcomm	+5
500	480	5.00	8.00	4.00	490	485	Amgen	+5
550	530	5.50	8.50	3.00	540	535	Genentech	+5
600	580	6.00	9.00	2.00	590	585	Amgen	+5
650	630	6.50	9.50	1.00	640	635	Amgen	+5
700	680	7.00	10.00	0.50	690	685	Amgen	+5
750	730	7.50	10.50	0.20	740	735	Amgen	+5
800	780	8.00	11.00	0.10	790	785	Amgen	+5
850	830	8.50	11.50	0.05	840	835	Amgen	+5
900	880	9.00	12.00	0.02	890	885	Amgen	+5
950	930	9.50	12.50	0.01	940	935	Amgen	+5
1000	980	10.00	13.00	0.00	990	985	Amgen	+5

12 Month High	12 Month Low	Div	Yld	PE	High	Low	Label	Chg
100	90	1.00	4.00	15.00	95	90	IBM	+5
150	130	1.50	4.50	12.00	140	135	Microsoft	+5
200	180	2.00	5.00	10.00	190	185	Apple	+5
250	230	2.50	5.50	9.00	240	235	Oracle	+5
300	280	3.00	6.00	8.00	290	285	Sun	+5
350	330	3.50	6.50	7.00	340	335	Lucent	+5
400	380	4.00	7.00	6.00	390	385	Motorola	+5
450	430	4.50	7.50	5.00	440	435	Qualcomm	+5
500	480	5.00	8.00	4.00	490	485	Amgen	+5
550	530	5.50	8.50	3.00	540	535	Genentech	+5
600	580	6.00	9.00	2.00	590	585	Amgen	+5
650	630	6.50	9.50	1.00	640	635	Amgen	+5
700	680	7.00	10.00	0.50	690	685	Amgen	+5
750	730	7.50	10.50	0.20	740	735	Amgen	+5
800	780	8.00	11.00	0.10	790	785	Amgen	+5
850	830	8.50	11.50	0.05	840	835	Amgen	+5
900	880	9.00	12.00	0.02	890	885	Amgen	+5
950	930	9.50	12.50	0.01	940	935	Amgen	+5
1000	980	10.00	13.00	0.00	990	985	Amgen	+5

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NYSE

Monday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

12 Month High	Low	Div	Yld	PE	1993	High	Low	Latest	Chg
Alcoa	47.75	0.20	4.5	12.5	3.50	50.00	47.00	47.50	+0.50
Amgen	104.00	0.60	4.0	18.0	5.50	105.00	103.00	104.00	+1.00
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50

12 Month High	Low	Div	Yld	PE	1993	High	Low	Latest	Chg
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50

12 Month High	Low	Div	Yld	PE	1993	High	Low	Latest	Chg
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50

12 Month High	Low	Div	Yld	PE	1993	High	Low	Latest	Chg
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50
Amstar	32.00	0.10	3.5	10.0	2.00	33.00	31.50	32.00	+0.50

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NYSE Monday's Closing Tables include the nationwide price up to the closing on Wall Street and do not reflect trades elsewhere.

Table listing NYSE stock prices, including columns for 12 Month High, Low, Stock Name, Div, Yld, P/E, and High/Low Last/Cr.

Table listing international stock prices with columns for 12 Month High, Low, Stock Name, Div, Yld, P/E, and High/Low Last/Cr.

Table listing international stock prices with columns for 12 Month High, Low, Stock Name, Div, Yld, P/E, and High/Low Last/Cr.

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Table listing international stock prices with columns for 12 Month High, Low, Stock Name, Div, Yld, P/E, and High/Low Last/Cr.

INTERNATIONAL FUNDS

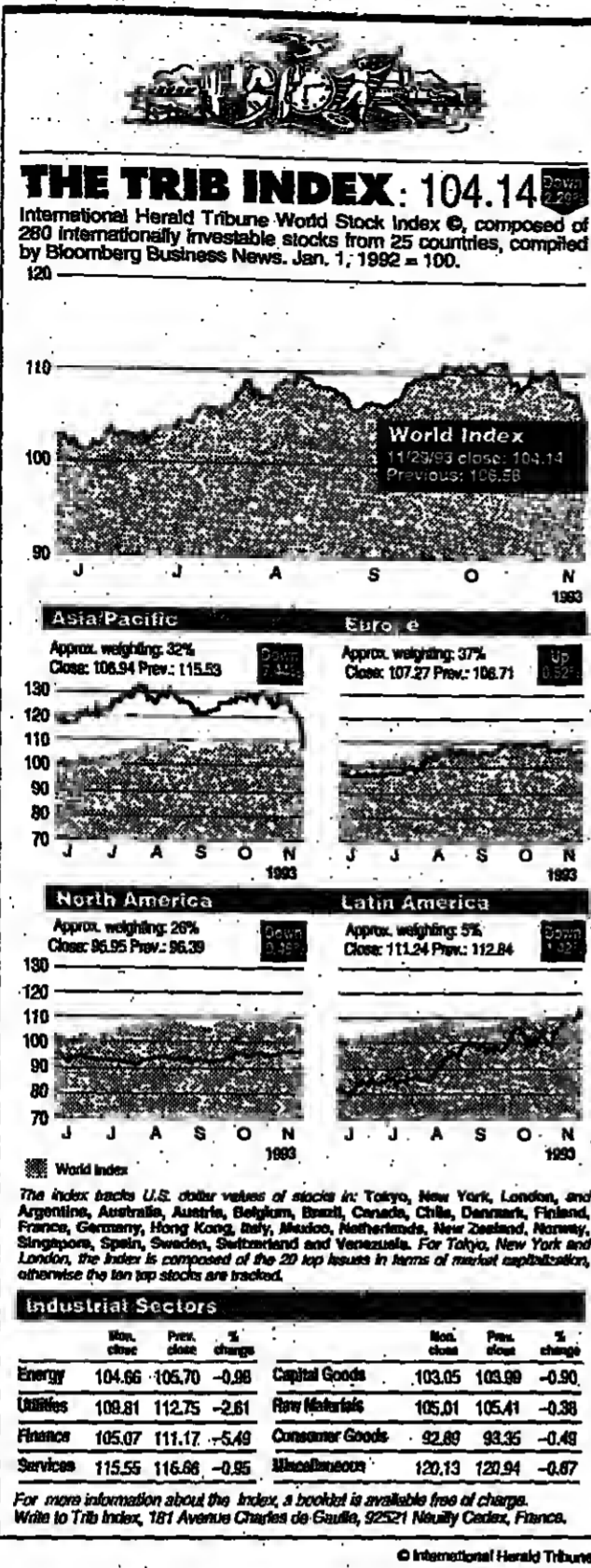
Nov. 29, 1993. Questions regarding funds listed... The marginal symbols indicate frequency of quotations...

Table listing international fund prices, including columns for Fund Name, Div, Yld, P/E, and High/Low Last/Cr.

Table listing international fund prices, including columns for Fund Name, Div, Yld, P/E, and High/Low Last/Cr.

AS - Australian Dollars; A\$ - Australian Shillings; BF - Belgian Francs; C\$ - Canadian Dollars; DM - Deutsche Marks; ECU - European Currency Unit; FF - French Francs...

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.



HSBC Replaces Midland Officials

By Erik Ipsen
International Herald Tribune

LONDON — HSBC Holdings PLC tightened its grip on Midland Bank on Monday, announcing the British bank's chairman and its chief executive would be replaced by appointees from the parent company.

The move represents a major departure for HSBC, the parent of Midland Bank, which has long been criticized by some for giving too much autonomy to companies it acquires.

"It is a reversal of their previous policy," said Nick Collier, an analyst at Morgan Stanley & Co. in London.

Sir Peter Walters, Midland's current chairman, is to leave the bank at the end of March to take over as chairman of SmithKline Beecham PLC. He will be succeeded by HSBC's chairman, Sir William Purves.

Although that change had been anticipated, what surprised analysts was the news that the Midland chief executive, William Pearse, also would leave the bank at that time. Stepping into his shoes will be Keith Whitson, a career HSBC banker who has been Midland's deputy chief executive since July 1992.

In a statement, Sir William thanked both executives for having led Midland through "a competitive merger bid," a reference to the 1992 contest that pitted HSBC against Lloyds Bank PLC. HSBC ultimately paid \$3.9 billion for Midland, a price that is now widely viewed as a bargain.

"People increasingly think Midland was sold too cheaply," said Michael Lindsay, an analyst with Robert Fleming Securities.

Mr. Lindsay noted that Midland recently surprised analysts by reporting pretax earnings of £385 million (\$569.0 million) for the first half of 1993, up from £60 million a year earlier.

"Most people were not even anticipating earnings of £385 million for the full year," he said.

Some speculated that Mr. Pearse would be replaced by Sir William Purves, HSBC's chairman.

Franco-German Trade Rift

GATT Deadline Brings Out Differences

By Roger Cohen
New York Times Service

PARIS — Despite repeated professions of solidarity between France and Germany, the long conflict in world trade talks between France, Germany and the United States has demonstrated stark differences of economic confidence and outlook between France and Germany, Europe's largest industrial powers.

As negotiations under the auspices of the General Agreement on Tariffs and Trade come to a head over the next three weeks, with a Dec. 15 deadline looming, it seems clear that Germany's differences with France will sharpen and lead to considerable pressure from Bonn on the French government to accept an agreement.

"Europe needs a successful Uruguay Round, and we will continue to try to convince our partners of this interest," said Lorenz Schönbauer, assistant secretary of international affairs at the German Economic Ministry. "There's an 80 percent chance that we will get an agreement."

But an official close to Prime Minister Edouard Balladur of France, who insisted on anonymity, said an accord was "possible only if the United States makes concessions." He added that failure to reach a GATT agreement "would not be too serious, apart from on the psychological level."

Europe will go on doing business in America and vice versa.

France, with its tradition of state involvement in the economy, has been suspicious of free trade, wary of job losses to countries with cheap labor, attached to the notion of subsidies, and committed to the idea that governments rather than markets can solve economic problems.

Nicolas Sarkozy, the French budget minister, said on radio Monday that France would continue to aid state-owned companies in trouble, Bloomberg Business News reported from Paris.

[He said that in the 1993 and 1994 budgets, he would set aside 21 billion French francs (\$3.55 billion) for cash injections to ailing state companies, including Air France, the SNCF railroad, and Groupe Bull.]

"France's economic culture is not that of a market economy or free trade," said Alain Madelin, the economic development minister. "We have a market economy and we are free traders, but we still do not adhere intellectually to these ideas. And at moments of fear, such as now, the

Carlton to Buy U.K.'s Central Independent TV

Bloomberg Business News

LONDON — Carlton Communications PLC said Monday it would buy Central Independent Television PLC for £654 million (\$922.3 million), a transaction that would create Britain's largest privately owned broadcaster.

Shares of Central jumped 18 percent on the day, closing on London's stock exchange at 2,560 pence, up 392. Carlton's shares rose 28 pence, to 795.

Acquiring the regional broadcaster for Central England would give Carlton control of 22 percent of total British advertising spending and 30 percent of the ad revenue on the Independent Television Network, the group of regional stations that make up one of Britain's four broadcast networks. The company would reach about 20 million viewers, or 36 percent of the country's population.

Only two of Britain's four television networks are commercial enterprises funded by advertising revenue. The other two are state-owned, being operated by the BBC.

Analysts and media executives say the acquisition, which would position Carlton to compete for British broadcast rights to major sports and entertainment programs, is the first of what could be many mergers that television companies will have to go through if the broadcasting industry in Britain is to remain in British hands.

"Everyone's been expecting this since the government gave the go ahead for mergers last week," said Linda Clifton, media analyst at NatWest Securities Ltd., said.

The government last week relaxed rules that had banned mergers among the large television stations that constitute the Independent Television Network.

Carlton said it would finance the acquisition by issuing common and preference shares with a nominal value of 5 pence each and by paying Central £204 million in cash.

The acquisition values each Central share at £26. Carlton already owns or has irrevocable commitments of acceptance for 39 percent of Central's share capital. It has held a 20 percent stake in Central since 1987.

Central's shareholders are being offered mix-and-match arrangements under which they can choose various portions of cash, new Carlton common shares and new Carlton preference shares.

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The group, which had threatened to file for bankruptcy over its £2 trillion (£1.7 billion) debt, said it had received the backing of 85 percent of creditors it needed for the plan to go ahead.

But a question mark still hangs over the rescue after a group of foreign banks said they needed more time to evaluate the plan, one of the largest corporate salvage operations mounted in Europe.

The foreign banks, including Citibank of the United States, Britain's Barclays Bank PLC, said they were still committed to reaching an accord but could not do so until the Ferruzzi deadline.

Ferruzzi, which is being run by creditor-appointed managers had demanded that banks reply by Monday night.

The conglomerate said it would go ahead with a shareholder meeting for holding company Ferruzzi Finanziaria SpA Tuesday; its main subsidiary, Montedison SpA, on Wednesday.

Meanwhile, PricewaterhouseCoopers, Ferruzzi's former auditor, said the company had deliberately opted to hide the true state of its accounts. (Reuters, Bloomberg)

France Tries to Slow EC Air Reform

By Barry James
International Herald Tribune

PARIS — France will call Tuesday for a slowdown in the process of airline deregulation in Europe to give a breathing space to unprofitable carriers such as its embattled Air France, said it would get the support of at least four other European countries.

Diplomats say France would present proposals for limiting passenger and freight capacity on some European routes at a meeting of European Community transport ministers in Brussels.

They added the proposal is certain to be opposed by Britain, whose privately owned carriers, notably British Airways, are among the few profit-making airlines in the continent.

Bernard Bosson, the French Transport Minister, said in a newspaper interview Monday that he counted on support from Spain, Belgium, Portugal and Luxembourg. He said the European Commission, the EC's executive body, was lending a more sympathetic ear to the French position than in the past.

With Air France running at a loss of 7.5 billion francs (\$1.27 billion) so far this year, Mr. Bosson called for traffic limitation on certain routes where competing airlines are operating at a loss. He also urged that older aircraft be withdrawn from service to reduce capacity.

Mr. Bosson said he was not against competition, or did he want to return to the tight regulation of the past. But he said unbridled competition had created a "jungle" from which only a handful of large carriers could emerge. He warned that if this happens, the surviving airlines would put up fierce sharply.

Faced with labor unrest and galloping unemployment, the government last month abandoned a plan to lay off 4,000 Air France workers. Mr. Bosson said the government was urgently seeking a bail-out plan for the company and would "do its duty" as a shareholder. "Everyone knows that the situation cannot remain the way it is," he said.

Airline analysts said that with a smaller passenger base than other British Airways of the German carrier Lufthansa, Air France is vulnerable to price-based competition in Europe.

Four-Day Week: a Dangerous Fantasy

By Reginald Dale
International Herald Tribune

WASHINGTON — Desperate to find new ways of creating jobs, Europeans are chasing a dangerous fantasy. It is that if they work fewer hours a week, they will somehow slay the monster of unemployment that is gnawing at the Continent's social fabric.

"Work less and we'll all work" is the refrain cheerfully taken up by Italian trade unions and unthinkingly parroted in other European Community countries. The idea is that everyone should share whatever work is available.

Such thinking has already led Volkswagen AG's workers in Germany to accept a four-day week and reduced pay in exchange for the company agreeing not to lay off a third of the work force. Now, enthusiasts are seizing on the Volkswagen pact as the model for a new social contract that will lead to a happier, more productive society.

But the reality is that, while work-sharing may help companies such as Volkswagen get through a difficult patch, it is not going to solve Europe's deep-seated problem of structural unemployment. On the contrary, the risk is that it will reduce the pressure for Europe to change its ways and thus do more harm than good.

Rather than create employment, a general four-day week would probably make companies even less competitive and further limit Europe's growth potential. Permanently shrinking working hours is as dangerous for the Continent in the long term as the mindless trend toward corporate downsizing at all costs.

A glance at Europe's main competitors should be enough to sound alarm bells. Europeans already work fewer hours than Americans and Japanese, and yet they have the highest unemployment. The Japanese, who work the longest hours, have the lowest. Germany, which has the shortest working hours of all, is currently suffering the biggest surge of unemployment of any major industrial country.

The belief that in any economy there is a fixed amount of work, to be divided up as required, has long been considered a popular economic fallacy.

Yet the delusion that work-sharing can be a panacea for Europe's crisis is no longer limited to Europe.

Work-sharing, by easing pressure for Europe to change its ways, could do more harm than good.

to its traditional advocates on the left. It is increasingly espoused by centrists and conservatives, particularly in France and Germany, not to mention the EC Commission.

And with EC unemployment heading for a shocking 12 percent, the trade unions have become much more amenable to the idea of at least limited pay cuts, if they are necessary to preserve jobs.

But there is enormous confusion. It is not clear whether work-sharing advocates are saying that the four-day week should be permanent — that there should be an irreversible move to a three-day week — or whether they believe it should apply to all workers, even in successful companies.

It is important to understand what work-sharing can and cannot do.

When companies get into difficulties, it is quite normal to introduce short-time working. There is nothing wrong if that is volun-

tarily extended to include the kind of deal just made at Volkswagen.

In Volkswagen's case, work-sharing suits both the company and the unions. It keeps people off the dole and buys industrial peace at least for a short period.

But it does not address the company's basic operational problems. And while it may prevent the loss of existing jobs, it is certainly not going to create any.

If work-sharing is not accompanied by a proportionate reduction in wages, it will raise unit costs and make companies less competitive. But there is still strong resistance to accepting the full pay cuts.

And even if the wage cuts are made, there are likely to be additional overhead costs in retaining more workers than necessary. What Europeans need to focus on is cutting costs, not hours of work.

Work-sharing in the words of one leading European official is "tinkering with the symptoms, not dealing with the disease itself." Europeans are hardly going to be able to withstand the relentless force of global competition by working less, particularly when their competitors are working longer.

What Europe needs is more labor flexibility and a serious shake-up of its over-generous social security systems. Somehow, it needs to recapture the entrepreneurial spirit.

Above all, it needs to understand that if steady growth is to resume, companies ultimately have to expand, not shrink; they have to find new forms of business and generate more revenue.

Otherwise, the risk is that Europe will fall into a downward spiral of falling output, reduced work and ever-shorter working hours — not to mention plummeting morale. That is not the way to create jobs.

CURRENCY & INTEREST RATES

Nov. 29

Cross Rates	Nov. 29	Nov. 28	% change
Australia	1.57	1.56	0.64
Canada	0.74	0.73	1.37
France	163.25	163.25	0.00
Germany	163.25	163.25	0.00
Japan	163.25	163.25	0.00
UK	163.25	163.25	0.00
US	163.25	163.25	0.00

Eurocurrency Deposits	Nov. 29	Nov. 28	% change
1 month	5.25	5.25	0.00
3 months	5.50	5.50	0.00
6 months	5.75	5.75	0.00
1 year	6.00	6.00	0.00

Key Money Rates	Nov. 29	Nov. 28	% change
1-year Treasury bill	5.25	5.25	0.00
3-month Treasury note	5.50	5.50	0.00
6-month Treasury note	5.75	5.75	0.00
1-year Treasury note	6.00	6.00	0.00

AP AUDEMARS PIGUET

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MARKET DIARY

Oil Collapse Helps Transport Stocks

NEW YORK — Prices for refined and crude oil products and stocks of oil-producing companies to a five-year low on Monday...

"The catalyst for most of the action is lower oil prices which have produced a knee-jerk reaction in gold, a rally in bonds and a rally in transportation stocks," said Philip Roth...

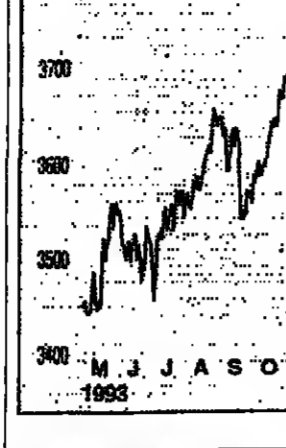
N.Y. Stocks

Expected that lower oil prices will keep a lid on inflation and interest rates. On Friday, Iraq accused long-term weapons-monitoring by the UN...

Transportation stocks remained very strong because lower oil prices mean lower costs. UAL Corp., parent of United Airlines, was up 3% at 148 1/2...

The Dow

Daily closings of the Dow Jones industrial average



M. J. JASON

Dow Jones Averages

Table with columns: Index, Open, High, Low, Last, Chg.

Standard & Poor's Indexes

Table with columns: Index, High, Low, Close, Chg.

NYSE Indexes

Table with columns: Index, High, Low, Close, Chg.

NASDAQ Indexes

Table with columns: Index, High, Low, Close, Chg.

AMEX Stock Index

Table with columns: Index, High, Low, Close, Chg.

Dow Jones Bond Averages

Table with columns: Bond, Close, Chg.

Market Sales

Table with columns: NYSE, AMEX, NASDAQ, Volume, Value.

AMEX Most Actives

Table with columns: Stock, Vol., High, Low, Last, Chg.

Dow Jones Bond Averages

Table with columns: Bond, Close, Chg.

NYSE Diary

Table with columns: Stock, Close, Prev.

AMEX Diary

Table with columns: Stock, Close, Prev.

NASDAQ Diary

Table with columns: Stock, Close, Prev.

EUROPEAN FUTURES

Table with columns: Contract, High, Low, Prev., Close, Chg.

Food

Table with columns: Contract, High, Low, Prev., Close, Chg.

COFFEE (ICE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

COFFEE (LCE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

WHITE SUGAR (ICE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

Metals

Table with columns: Contract, High, Low, Prev., Close, Chg.

3-MONTH STERLING (LIFFE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

3-MONTH EURO DOLLARS (LIFFE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

3-MONTH EURO DOLLARS (LIFFE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

LONG GILT (LIFFE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

3-MONTH EURO DOLLARS (LIFFE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

GERMAN GOVERNMENT BOND (FIE)

Table with columns: Contract, High, Low, Prev., Close, Chg.

INDUSTRIALS

Table with columns: Contract, High, Low, Prev., Close, Chg.

COFFEE (ICE)

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Table with columns: Contract, High, Low, Prev., Close, Chg.

Brazil Reschedules Its Bank Debt

NEW YORK (AP)—Brazil, struggling with the largest foreign debt of any developing country, reached a milestone Monday with the signing of an agreement to reschedule \$35 billion it owes to foreign banks and other private creditors.

Brazil is the last major Latin American debtor to work out a so-called Brady deal. Such plans have been crucial in ending the debt crisis that threatened the existence of some U.S. banks and plunged Latin America into the economic stagnation of the 1980s.

However, the deal will not become final until the country works out an agreement on economic reform with the International Monetary Fund. The creditors have set an April 15 deadline for that accord.

Under the new deal, banks forgive some of the loans. In exchange, Brazil turns the loans into 30-year bonds, and purchases U.S. Treasury bonds to back them up. The loans are then safer for creditors, and can be sold like other types of bonds.

Strong 4th Quarter Forecast for U.S.

WASHINGTON (Combined Dispatches)—The National Association of Business Economists, a panel of top business forecasters, said in its latest quarterly forecast that gross domestic product would accelerate to a robust growth rate of 3.3 percent in the fourth quarter from 2.8 percent in the third.

But the panel predicted that growth would slow to a rate barely exceeding 2.5 percent in 1994. It also predicted that the unemployment rate would be 6.5 percent by the end of 1994, down only slightly from 6.9 percent forecast for this year. The rate was 6.8 percent in October.

Separately, the National Association of Realtors said sales of previously owned homes shot up 3.6 percent in October to the highest level in 14 years. Many analysts had expected an increase of only 1 percent.

Sales advanced in every region and the realtors said home buyers remained active in November. (Reuters, AP)

Equitable Recasts Donaldson, Lufkin

NEW YORK (Combined Dispatches)—The Equitable Co. said Monday that it would restructure its ownership of Donaldson, Lufkin & Jenrette Securities Corp. in an effort to strengthen the capital position of its life insurance subsidiary.

Equitable said it would use proceeds from a private debt offering of \$304 million to purchase about 61 percent of the securities unit which is now held by Equitable Life Assurance Society of the United States. The remaining 39 percent will remain with Equitable Life. Equitable said earlier this year it was considering a partial sale of DLJ to the public. (Knight-Ridder, AP)

For the Record

The U.S. Supreme Court agreed to decide if all long-distance telephone companies, not just American Telephone & Telegraph Co., must file their rates with the Federal Communications Commission. (Bloomberg)

NEC Corp. said it would spend \$200 million to expand its memory chip plant in Roseville, Calif. (AP)

Noranda Inc. said it has sold 12 million common shares in Noranda Forest Inc. to a group of underwriters, which will reoffer them to the public for 144 million Canadian dollars (\$108.3 million). (Knight-Ridder)

Weekend Box Office

LOS ANGELES — "Mrs. Doubtfire" featuring the cross-dressing antics of Robin Williams, led the box office over the Thanksgiving weekend. Following are the Top 10 moneymakers based on Friday ticket sales and estimated sales for Saturday and Sunday.

Table with columns: Rank, Title, Studio, Gross.

Dollar Fails to Pierce Key Mark Barrier

NEW YORK — The dollar fell to its lowest level since 1985 on Monday as the U.S. unit closed at 100.85 yen, a 29.5 DM, down from a closing of 1.7138 DM, and dealers said it could rise to the highest level in 14 years.

The mark also got a lift from Hans Tietmeyer, the Bundesbank president, who said the German central bank's top priority remains controlling the money supply. That was viewed as significant because the growth in Germany's money supply is still running above the bank's target range for 1993 of 4.5 percent to 6.5 percent. Provisional figures for growth in October showed growth of 6.8 percent, cooling speculation that the bank might ease rates this month.

Some dealers said the dollar will benefit from a series of U.S. data expected in the near term. "The dollar should do better because of all the good numbers we expect this week," said Amy Smith, analyst at the advisory service IDEA.

Against other currencies, the dollar slipped to 1.4905 Swiss francs and 1.4985 francs on Friday and to 5.9011 French francs from 5.9225 francs. The pound was quoted at \$1.4895, up from \$1.4790. (AFX, Knight-Ridder, Reuters)

Foreign Exchange

The dollar strengthened against the yen, however, and closed at 100.85 yen, up from 100.85 yen, as analysts said the Bank of Japan was likely to help the beleaguered stock market by cutting its gain.

Paramount Can Appeal QVC Ruling

NEW YORK — Paramount Communications Inc. has been given permission to proceed with an appeal against a Delaware court decision last week that would overturn most of the company's takeover defenses, according to a U.S. cable television report on Monday.

The report said that Paramount's appeal would be heard on Dec. 7 after the Delaware Supreme Court said there were grounds for a challenge to a ruling in favor of QVC Network Inc., which has made a hostile bid for Paramount. QVC claimed Paramount's defenses, including a "poison pill" that would reduce discounted shares to existing shareholders in the event of a hostile bid, worked in favor of a rival bid for Paramount by Viacom Inc. QVC and Viacom have agreed to freeze bidding activity until the legal action is resolved.

WORLD STOCK MARKETS

Table with columns: Market, Close, Prev., Change.

Toronto

Table with columns: Stock, Close, Prev., Chg.

Sydney

Table with columns: Stock, Close, Prev., Chg.

Tokyo

Table with columns: Stock, Close, Prev., Chg.

Madrid

Table with columns: Stock, Close, Prev., Chg.

Sao Paulo

Table with columns: Stock, Close, Prev., Chg.

Milan

Table with columns: Stock, Close, Prev., Chg.

London

Table with columns: Stock, Close, Prev., Chg.

Stockholm

Table with columns: Stock, Close, Prev., Chg.

Grains

Table with columns: Contract, High, Low, Prev., Close, Chg.

SOYBEANS (CBOT)

Table with columns: Contract, High, Low, Prev., Close, Chg.

WHEAT (CBOT)

Table with columns: Contract, High, Low, Prev., Close, Chg.

COFFEE (ICE)

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COFFEE (LCE)

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WHITE SUGAR (ICE)

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Metals

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Financial

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Metals

Table with columns: Contract, High, Low, Prev., Close, Chg.

INDUSTRIALS

Table with columns: Contract, High, Low, Prev., Close, Chg.

Financial

Table with columns: Contract, High, Low, Prev., Close, Chg.

Stock Indexes

Table with columns: Index, Close, Prev., Chg.

Commodity Indexes

Table with columns: Index, Close, Prev., Chg.

Commodity Indexes

Table with columns: Index, Close, Prev., Chg.

Commodity Indexes

Table with columns: Index, Close, Prev., Chg.



Italy's 'Disturbers' Quiet Down Fewer Firms Now Pay for Peace at Annual Meetings

By James Hansen

Special to the Herald Tribune
MILAN — They are one of corporate Italy's dirty little secrets — the disturbers, the disturbers or professional claque that get paid under the table not to disrupt a company's annual shareholders' meeting. Ownership of as little as one share in a company gives them the right to take the floor at annual meetings and talk for hours on subjects such as the chairman's taste in ties or ask hundreds of detailed questions that companies are for the most part required to answer. Legal remedies were few, and Italian managers generally preferred to pay for quiet. The practice has been widespread. The most famous of the disturbers, a white-collar employee of the Italian state telephone company named Marco Bava, has claimed to be a paid consultant to more than a third of the companies listed on Milan's stock exchange. Mr. Bava, who takes time off from his work at the telephone company to attend annual meetings, speaks for hours in assemblies, often asking more than 200 questions requiring formal answers. He denied he was in the business of disturbing annual meetings. "If I ask a lot of questions," he says, "it's only because there are many things I need to know."

But Mr. Bava's alternate career came to a screeching halt in August when, during a Ferruzzi group shareholders' meeting, he attacked the management team that had been sent in to try to salvage something out of the Ferruzzi financial disaster.

The new chairman of Ferruzzi Finanziaria SPA and its Mediobanca SPA unit, Guido Rossi, then disclosed that former Ferruzzi managers paid Mr. Bava 27 million lire (\$15,900) in 1991 and 1992 to keep his mouth shut during assemblies.

After that, Mr. Bava said, "all the big groups" cut off their "consulting arrangements" with him. He attributed this change of heart to the "weakness of the entrepreneurial spirit" in Italy and says he now spends his time off from the phone company seeking international purchasers prepared to take companies such as Fiat SPA, Ferruzzi and Olivetti SPA out of the hands of what he calls the "incompetents" who now run them.

Given the questionable accounting practices and disdain for minority shareholders

that have characterized Italian corporate life, there may have been good reason to pay Mr. Bava and 20 or so others like him not to ask embarrassing questions.

The wind, though, seems to be changing. Two prominent practitioners of the disturber trade have been convicted of extortion in the wake of the Banco Ambrosiano scandal, the 1976 bank failure that led to the apparent suicide of the banker Roberto Calvi, who was found hanged in London.

The two, Lorenzo Jersich and Bruno Agazzi, were convicted in July in a Milan court over their role in the bank failure. Between them, the pair had taken more than half a million dollars from Mr. Calvi for not asking embar-

assing questions. Mr. Calvi's widow, Clara, told judges: "My husband told me it was a peculiarity of the Milan business environment. The bank's management wanted to avoid problems arising in shareholders' meetings."

The so-called clean hands corruption scandal now sweeping Italy has also made it difficult to make such corporate blackmail payments. Finding more or less legal ways to pay off the disturbers had long been a problem.

"We handled most of these payments as consulting fees, others as subscriptions to unknown agencies or through the purchase of advertising in unlikely publications," said a corporate insider who asked not to be named.

The disturbers are not a uniquely Italian phenomenon. In Japan, guaranteeing the tranquility of shareholders' assemblies has been a monopoly of the yakuza, Japanese gangsters. The chairman and two other executives of Kirin Brewery Co. announced their resignations this summer after revelations they had paid bribes of 33 million yen (\$305,000) to guarantee the silence of shareholders at the last annual meeting. The system worked. That meeting was concluded in 24 minutes.

But it is probably in Italy that the peculiar trade reached its highest development. Now that it seems to be on the way out, it is bound to leave a certain nostalgia behind.

Stories will be told of the time Cesare Romiti, the Fiat managing director, had first the microphone and then the lights shut off in an unsuccessful attempt to cut off Mr. Bava, or the 95-year-old disturber Alberto Scocchera declaiming on the quality of his love life and his long-ago service as a cavalry officer, or Maurizio Berruzzi keeping a Pirelli SPA meeting going until 2 A.M. with observations on the graphic design of the company's annual report.

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The fund announced last week that it would vote to approve the merger of Volvo and Renault at an extraordinary shareholders' meeting scheduled for Dec. 7.

Volvo said it hoped the fund's decision tipped the balance in favor of approving the accord, which will leave 35 percent of the shares of the combined company in Volvo hands and the remainder with Renault.

Shareholders representing 21 percent of the votes in Volvo have said they would back the merger, while investors holding 7 percent have said they would oppose. WASA, a Swedish insurer, said Monday it would oppose the merger.

Thomas Halvorsen, manager of the fund, said that it had decided to act because of "the erosion of confidence in the board of Volvo."

Such action is unusual in Swedish industry, where pension and insurance funds and shareholders' groups rarely question boardroom decisions or try to unseat directors.

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Shareholders Lash Out at Volvo Board

Compiled by Our Staff From Dispatches
STOCKHOLM — Swedish shareholders want to curb the power of Volvo AB, and his board regardless of whether they approve or reject a merger with Renault of France next week.

This could mean that the board's battle to secure shareholder approval of the contested deal could be so costly as to be almost a defeat, Swedish newspapers said Monday.

The Fourth National Pension Insurance Fund, a Swedish pension fund whose 7.5 percent voting stake makes it the largest shareholder in Volvo after Renault, said it would "take the initiative and form a committee to prepare an election for the Volvo board."

Thomas Halvorsen, manager of the fund, said that it had decided to act because of "the erosion of confidence in the board of Volvo."

Such action is unusual in Swedish industry, where pension and insurance funds and shareholders' groups rarely question boardroom decisions or try to unseat directors.

Clinton, Kohl Pledge to Meet GATT Deadline

WASHINGTON — President Bill Clinton and Chancellor Helmut Kohl of Germany pledged Monday to do all they could to reach an international trade agreement by the Dec. 15 deadline, the White House said.

Mr. Clinton and Mr. Kohl, in a half-hour telephone talk, "exchanged views on their recent meetings with Chinese leaders and discussed plans on the upcoming NATO summit," a spokeswoman said. They also discussed "their mutual commitment" in getting the accord under the General Agreement on Tariffs and Trade "done by mid-December," she said.

Mr. Clinton's "fast-track" authority, which makes a proposed trade agreement immune to amendments when it is presented to the U.S. Congress for approval, expires Dec. 15.

Investor's Europe

Exchange	Index	Monday Close	Prev. Close	% Change
Frankfurt DAX		2,043.43	2,047.24	-0.19
London FTSE 100 Index		2,895.80	2,869.30	+0.92
Paris CAC 40		3,135.80	3,111.40	+0.78
Amsterdam CBS Trend		136.10	136.80	-0.51
Brussels Stock Index		7,099.33	7,108.20	-0.20
Frankfurt DAX		2,043.43	2,047.24	-0.19
Frankfurt FAZ		785.49	788.25	-0.35
Helsinki HEX		1,507.39	1,524.04	-1.09
London Financial Times 30		2,895.80	2,869.30	+0.92
London FTSE 100		2,895.80	3,111.40	+0.78
Madrid General Index		295.54	297.63	-0.77
Milan MIB		1,199.00	1,194.00	+0.42
Paris CAC 40		3,135.80	3,111.40	+0.78
Stockholm Affarsvaerlden		1,507.07	1,529.35	-1.46
Vienoa Stock Index		446.10	446.59	-0.11
Zurich SES		938.90	940.90	-0.11

Sources: Reuters, AFP
International Herald Tribune

MIDLAND: HSBC Holdings Replaces Executives

Continued from Page 13
may have felt that, with HSBC taking increasing control of Midland, his role was being downgraded. He is widely credited with turning the bank around since being brought in as part of an attempt in 1991 to rescue Midland, which then was facing large write-offs because of bad loans and other nonperforming assets.

"He was part of the first brigade sent in to get a grip on a situation that was out of control," Terry Smith, an analyst at Collins Stewart, said.

Mr. Whitson, Mr. Pearce's designated successor, also has been praised for turning around troubled institutions. In 1990, he was made executive director of HSBC's American unit, Marine Midland

Daimler Sets Deal With Mitsubishi

FRANKFURT — Daimler-Benz AG said Monday it would announce ventures with several Mitsubishi companies on Tuesday.

A spokesman said the chairman of Daimler-Benz, Ezzard Reiter, and top officials of Mitsubishi Heavy Industries Ltd., Mitsubishi Motors Corp., Mitsubishi Electric Corp. and Mitsubishi Corp. would hold a news conference in Berlin.

The company declined to elaborate. Industry sources said their cooperation was expected to include some type of joint venture in environmental technology.

Very briefly:

- Varta AG said it would drastically cut its 1993 dividend and that it could not exclude skipping the payout. The battery maker, which paid 10 Deutsche marks (\$5.84) last year, said profit was sharply lower in the first nine months of 1993 than 1992 as sales fell 5 percent, to 1.56 billion DM. The company's shares tumbled 6.1 percent, to 315 DM.
- Neckermann Versand AG, a German mail-order subsidiary of Karstadt AG, plans to buy an Austrian competitor, the mail-order unit of Kastner & Ober Handels AG. A price was not disclosed for the deal.
- Eastern Germany's industrial output rose 9.2 percent in September from the like month a year earlier and 11.5 percent from August, reflecting seasonal factors. Factory orders were up 19.7 percent in the 12-month period and 23.9 percent from August.
- Dalgey PLC bought Paragon Petcare, a European pet-food company, from British Petroleum Co. for £42 million (\$62.1 million). BP said the sale was part of its "managed exit" from its nutrition business.
- General Electric Co.'s General Electric Capital Corp. will buy Diamond Engineered Space Inc. of Cleveland, Ohio, which rents and sells modular buildings, from AAF Industries PLC of Britain for £18.4 million.
- Denmark's central bank cut the interest rate on certificates of deposit by one-quarter percentage point, to 7.25 percent.

TRADE: German Pressure on France to Grow as GATT Deadline Looms

Continued from Page 13
insistent is to look to the state and be suspicious of the market."

Germany, on the other hand, despite a flood of cheap exports from Eastern Europe and an unemployment problem as severe as the French, has proven committed to removing trade barriers, confident of its ability to exploit fast-growing markets in Asia, and firm in its conviction that a world trade accord would help ease Europe's severe economic problems.

"GATT is positive for Germany, so we tell our farmers to get out of the way," said Heinz Schimmelbusch, the chief executive of the large Frankfurt-based metals company, Metallgesellschaft AG. "GATT has to come through, we're talking essentials. But I'm afraid French industry has a lot of second thoughts about GATT and uses the agricultural issue as a shield."

The likes of Mr. Schimmelbusch scarcely exist in France. While it is easy to find French industrialists who have severe reservations about free trade, like Jacques Calvet of

PSA Peugeot Citroën SA or Alain Gomez of Thomson SA, it is difficult to find outspoken advocates of a GATT accord.

There is no significant counterweight to the powerful French farmers' lobby, and the centrist former economics minister, Raymond Barre, has been almost alone among leading politicians in speaking forthrightly in favor of GATT.

"The French do not have confidence in their economy," said Michel Rainelli, a professor of international commerce at Nice University. "It's a paradox. We're the world's fourth-largest exporter, we sell high-speed trains and fighters to Korea and Taiwan, but our reaction in times of difficulty is to say we must protect ourselves because the competition is unfair."

While the effect of the end of the Cold War has been felt particularly acutely in Germany because of reunification, French society has also been disoriented by the end of the old distinctions between Left and Right.

These difficulties have sparked a

widespread belief in France that the basic tenet of GATT — that free trade is good because it will produce wealth and ultimately jobs — is false. More recently this view has been forcefully argued by the British-French financier Sir James Goldsmith in a best seller called "The Trap," which says free trade will only bring massive unemployment to Europe.

The French philosophical rejection of GATT goes well beyond the arguments about farm exports and subsidies to the French aircraft and movie industries that have paralyzed the negotiations and prompted commentary in Europe suggesting that GATT stands for "General Agreement to Talk and Talk."

"GATT will only do harm," said Jacques Robin, a prominent French sociologist. "We cannot compete against industries in Southeast Asia where the workers, often children,

have no social protection. GATT means the progressive elimination of jobs in Europe through ever more merciless competition."

In Germany, however, even as cheap steel pulls in from Russia and steelworkers complain that they are "the last victims of Stalinism," the commitment to free trade remains strong.

Berthold Huber, the chief wage negotiator for the I.G. Metall labor union, representing over 3 million metal workers, said: "We are against protectionism. It is not in anybody's interest to exclude the majority of the world's population from the improvements in living standards offered by free trade. Of course we are under huge pressure from cheap Czech and Russian steel imports, but even so, I.G. Metall has no intention of pressing for protectionism."

NOTICE TO UNITHOLDERS

S-E-BANKEN FUND

MANAGEMENT REGULATIONS

(modifications taking effect on January 1, 1994)

Referring to the version dated May 27, 1993, the following modifications have been brought about.

New Version:

ARTICLE 9 - ISSUE PRICE

The issue price of units in a Sub-Fund includes the net asset value of a unit in that Sub-Fund calculated in accordance with Article 7 of these Regulations, increased by a commission which will not exceed 1% of the net asset value; this commission includes all commissions payable to banks and financial establishments taking part in the placement of the units.

ARTICLE 13 - MANAGEMENT FEE

The Management Company is entitled to a commission at an annual rate of 1.75% on all sub-funds. This fee is based on the net assets of each relevant Sub-Fund. A twelfth of this rate being payable at the end of each month and based on the net assets of each Sub-Fund of the last valuation of the respective month.

ARTICLE 19 - COSTS BORNE BY THE FUND

The Fund will bear the following costs:

- All taxes owed on the Fund's assets and income.
- Bank and brokerage fees for transactions in securities making up the Fund's portfolio, as well as fees on transfers referring to redemptions of units.
- Remuneration to the Management Company (Article 13).

All other costs and expenses are not to be borne by the Fund.

The specific fees and expenses of each Sub-Fund are payable by that Sub-Fund. All other fees and expenses shall be shared by all the Sub-Funds in proportion to their net assets at that time. Any commitments, whichever Sub-Fund they relate to, will involve the fund in its entirety.

Luxembourg, November 8, 1993.

THE DEPOSITARY BANK
BANQUE SCANDINAVE
A LUXEMBOURG S.A.

S-E-BANKEN FUND MANAGEMENT COMPANY S.A.

NOTICE TO UNITHOLDERS

SKANDIFOND CURRENCY FUND

MANAGEMENT REGULATIONS

(modifications taking effect on January 1, 1994)

Referring to the version dated April 1, 1993, the following modifications have been brought about.

New Version:

ARTICLE 13 - MANAGEMENT FEE

The Management Company is entitled to a commission at an annual rate of 0.80% on single currency sub-funds and 1.10% on multi-currency sub-funds, based on the net assets of each Sub-Fund. A twelfth of these rates being payable at the end of each month and based on the net assets of each Sub-Fund of the last valuation of the respective month.

ARTICLE 19 - COSTS BORNE BY THE FUND

The Fund will bear the following costs:

- All taxes owed on the Fund's assets and income.
- Bank and brokerage fees for transactions in securities making up the Fund's portfolio, as well as fees on transfers referring to redemptions of units.
- Remuneration to the Management Company (Article 13).

All other costs and expenses are not to be borne by the Fund.

The specific fees and expenses of each Sub-Fund are payable by that Sub-Fund. All other fees and expenses shall be shared by all the Sub-Funds in proportion to their net assets at that time.

Luxembourg, November 8, 1993.

THE DEPOSITARY BANK
BANQUE SCANDINAVE
A LUXEMBOURG S.A.

SKANDIFOND CURRENCY FUND MANAGEMENT COMPANY S.A.

NOTICE TO UNITHOLDERS

SKANDIFOND EQUITY FUND

MANAGEMENT REGULATIONS

(modifications taking effect on January 1, 1994)

Referring to the version dated April 1, 1993, the following modifications have been brought about.

New Version:

ARTICLE 9 - ISSUE PRICE

The issue price of units in a Sub-Fund includes the net asset value of a unit in that Sub-Fund calculated in accordance with Article 7 of these Regulations, increased by a commission which will not exceed 1% of the net asset value; this commission includes all commissions payable to banks and financial establishments taking part in the placement of the units.

ARTICLE 13 - MANAGEMENT FEE

The Management Company is entitled to a commission at an annual rate of 1.50% on all sub-funds. This fee is based on the net assets of each relevant Sub-Fund. A twelfth of this rate being payable at the end of each month and based on the net assets of each Sub-Fund of the last valuation of the respective month.

ARTICLE 19 - COSTS BORNE BY THE FUND

The Fund will bear the following costs:

- All taxes owed on the Fund's assets and income.
- Bank and brokerage fees for transactions in securities making up the Fund's portfolio, as well as fees on transfers referring to redemptions of units.
- Remuneration to the Management Company (Article 13).

All other costs and expenses are not to be borne by the Fund.

The specific fees and expenses of each Sub-Fund are payable by that Sub-Fund. All other fees and expenses shall be shared by all the Sub-Funds in proportion to their net assets at that time.

Luxembourg, November 8, 1993.

THE DEPOSITARY BANK
BANQUE SCANDINAVE
A LUXEMBOURG S.A.

SKANDIFOND EQUITY FUND MANAGEMENT COMPANY S.A.

NOTICE TO UNITHOLDERS

SKANDIFOND BOND FUND

MANAGEMENT REGULATIONS

(modifications taking effect on January 1, 1994)

Referring to the version dated April 1, 1993, the following modifications have been brought about.

New Version:

ARTICLE 9 - ISSUE PRICE

The issue price of units in a Sub-Fund includes the net asset value of a unit in that Sub-Fund calculated in accordance with Article 7 of these Regulations, increased by a commission which will not exceed 1% of the net asset value; this commission includes all commissions payable to banks and financial establishments taking part in the placement of the units.

ARTICLE 13 - MANAGEMENT FEE

The Management Company is entitled to a commission at an annual rate of 0.80% on the single currency bond sub-funds and 1.10% on the multi-currency bond sub-funds, based on the net assets of each Sub-Fund. A twelfth of these rates being payable at the end of each month and based on the net assets of each Sub-Fund of the last valuation of the respective month.

ARTICLE 19 - COSTS BORNE BY THE FUND

The Fund will bear the following costs:

- All taxes owed on the Fund's assets and income.
- Bank and brokerage fees for transactions in securities making up the Fund's portfolio, as well as fees on transfers referring to redemptions of units.
- Remuneration to the Management Company (Article 13).

All other costs and expenses are not to be borne by the Fund.

The specific fees and expenses of each Sub-Fund are payable by that Sub-Fund. All other fees and expenses shall be shared by all the Sub-Funds in proportion to their net assets at that time.

Luxembourg, November 8, 1993.

THE DEPOSITARY BANK
BANQUE SCANDINAVE
A LUXEMBOURG S.A.

SKANDIFOND BOND FUND MANAGEMENT COMPANY S.A.

SKANDIFOND INTERNATIONAL SICAV

16 Boulevard Royal
L-2449 Luxembourg
R.C. Luxembourg B 35166

INVESTMENT FUNDS

NOTICE TO THE SHAREHOLDERS

The Board of Directors of the Company has decided the following amendments to the prospectus of the SICAV with effect on 1st January 1994:

ISSUE OF SHARES

(paragraph 4)

An issue commission of maximum 1 percent of the Net Asset Value may be charged to investors upon subscribing for shares in the Company. Such commission will be paid to authorized and duly appointed financial institutions.

INVESTMENT ADVISER

(paragraph 2.3 and 5)

The Board of Directors of the Company has appointed SKANDIFOND INTERNATIONAL ADVISORY COMPANY S.A. 16, Boulevard Royal, L-2449 Luxembourg, as Investment Adviser responsible for providing investment advice to the Company. SKANDIFOND INTERNATIONAL ADVISORY COMPANY S.A. is wholly owned by S-E-BANKEN FONDFORVALTNING AB, Stockholm.

An Investment Adviser Agreement was entered into on 2nd August, 1993 with SKANDIFOND INTERNATIONAL ADVISORY COMPANY S.A., Luxembourg.

Under the terms of this Agreement, the Investment Adviser shall supply the Company with economic and financial information and recommendations regarding the Company's investments. In consideration of its services, the Investment Adviser shall be entitled to a fee at a yearly rate of 1.60 percent of the Net Asset Value of the SKANDIFOND INTERNATIONAL-EMERGING MARKETS PORTFOLIO. A twelfth of this rate being payable at the end of each month and based on the net assets of the last valuation of the respective month.

INVESTMENT MANAGER AND ADMINISTRATIVE AGENT

(paragraph 9)

In consideration of its services, the Investment Manager shall be entitled to a global fee at a yearly rate of 0.15%. A twelfth of this rate being payable at the end of each month and based on the net assets of the last valuation of the respective month. This fee does not include any value added tax to which it might be subject.

CUSTODIAN AND PAYING AGENT

(paragraph 5)

In consideration of its services, the Custodian will receive a fee at a yearly rate of 0.20 percent of the Net Asset Value of the SKANDIFOND INTERNATIONAL-EMERGING MARKETS PORTFOLIO. A twelfth of this rate being payable at the end of each month and based on the net assets of the last valuation of the respective month. This fee does not include any value added tax in which it might be subject. The Company will also pay customary correspondent bank fees.

THE BOARD OF DIRECTORS

INVESTMENT FUNDS

The investor looking for a profitable way to take part in new Japanese investment opportunities will select

JAPAC FUND

Swiss Equity Investment Fund

investing in Japanese shares since 1970.

For further information, please contact
4121 / 317 28 09

CUSTODIAN BANK

NASDAQ

Monday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Table of NASDAQ stock prices with columns for 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg, and Crys.

Table of NASDAQ stock prices with columns for 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg, and Crys.

Table of NASDAQ stock prices with columns for 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg, and Crys.

Table of NASDAQ stock prices with columns for 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg, and Crys.

Table of NASDAQ stock prices with columns for 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg, and Crys.

Table of NASDAQ stock prices with columns for 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg, and Crys.

THURSDAY 9

Latin America	9.00
A New Investment	9.00
Partner	10.00
London	11.00

FRIDAY 10

London

MARK YOUR AGENDA NOW!

And join us for the fifth biennial Latin American conference being held at the Hyatt Carlton Hotel on June 9 and 10.

FOR FURTHER INFORMATION please contact:
 Sarah Whitefield
 International Herald Tribune
 63 Long Acre, London WC2E 9JH
 Tel: (44 71) 836 4802
 Fax: (44 71) 836 0717

HERALD TRIBUNE

Herald Tribune

IFINT
Société Anonyme

Registered Office: Luxembourg - 2, Boulevard Royal
R.C. Luxembourg B-6734

NOTICE TO SHAREHOLDERS
Payment of Interim Dividend

A net Interim Dividend of US\$ 0.70 per ordinary share and US\$ 0.80 per preferred share will be paid for the current fiscal year.

Such dividend will be payable at the offices of the paying agents listed below, subject to the laws and regulations applicable in each country, starting December 10th, 1993, against surrender of coupon no. 32 of the ordinary share certificates and coupon no. 11 of the preferred share certificates.

Paying Agents

- in Luxembourg: Banque Internationale à Luxembourg;
- in Italy: all the leading banks;
- in Switzerland: Credit Suisse, Banca Commerciale Italiana;
- in France: Lazard Frères & Co.;
- in the Federal Republic of Germany: Commerzbank;
- in Great Britain: S.G. Warburg & Co. and Lazard Brothers & Co.;
- in the Netherlands: Amsterdam-Rotterdam Bank;
- in Belgium: Banque Bruxelles Lambert.

The Principal Paying Agent
Banque Internationale à Luxembourg
Société Anonyme

NOTICE TO UNITHOLDERS
SKANDIFOND FAR EAST

MANAGEMENT REGULATIONS
(modifications taking effect on January 1, 1994)

Referring to the version dated April 1, 1993, the following modifications have been brought about.

New Version:

ARTICLE 9 - ISSUE PRICE
The issue price of units in a Sub-Fund includes the net asset value of a unit in that Sub-Fund calculated in accordance with Article 7 of these Regulations, increased by a commission which will not exceed 1% of the net asset value; this commission includes all commissions payable to banks and financial establishments taking part in the placement of the units.

ARTICLE 13 - MANAGEMENT FEE
The Management Company is entitled to a commission at an annual rate of 1.50%, based on the net assets of each Sub-Fund. A twelfth of this rate being payable at the end of each month and based on the net assets of each Sub-Fund of the last valuation of the respective month.

ARTICLE 19 - COSTS BORNE BY THE FUND
The Fund will bear the following costs:

- * All taxes owed on the Fund's assets and income,
- * Bank and brokerage fees for transactions in securities making up the Fund's portfolio, as well as fees on transfers relating to redemptions of units,
- * Remuneration to the Management Company (Article 13).

All other costs and expenses are not to be borne by the Fund.

The specific fees and expenses of each Sub-Fund are payable by that Sub-Fund. All other fees and expenses shall be shared by all the Sub-Funds in proportion to their net assets at that time.

Luxembourg, November 8, 1993.
THE DEPOSITORY BANK
BANQUE SCANDINAVE
 A LUXEMBOURG S.A.

SKANDIFOND FAR EAST MANAGEMENT COMPANY S.A.

NYSE

Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

12 Month High/Low Stock	Div	Yld	PE	High	Low	Last	Chg	Crys
A								
B								
C								
D								
E								
F								
G								
H								
I								
J								
K								
L								
M								
N								
O								
P								
Q								
R								
S								
T								
U								
V								
W								
X								
Y								
Z								

Back Slide Insurers Japan

ATOMAKE

MAISE

AMEX
Monday's Closing

50 من الأصل

Stock Slide Hits Insurers In Japan

Compiled by Our Staff From Dispatches. TOKYO — Japan's top eight life insurers, among the world's largest institutional investors, said Monday their cushions of unrealized profits on stock holdings was wearing thin. This is likely to force the companies to diversify into safer securities and to curb equity investments.

Siemens Trims Seoul Train Bid

Agence France-Press. SEOUL — Siemens AG has offered to reduce its bid price in a last-ditch effort to win South Korea's lucrative high-speed train project, a company executive and politicians said Monday. Siemens, which makes Germany's Inter-City Express train, sent an official letter to the Transportation Ministry two weeks ago, offering to cut 10 percent off its bid, lowering it to around \$2.115 billion, a Siemens executive said.

Taiwan Shares Soar As Nationalists Win Many Local Ballots

Reuters. TAIPEI — Taiwan's stock market soared 5.3 percent Monday as investors reacted with euphoria to the ruling Nationalist Party's victory in local government elections over the weekend. Brokers said the election result lifted a cloud of political uncertainty and suggested Taiwan's transition to democracy, which began with the lifting of martial law in 1987, could proceed smoothly next year.

World Bank Economist Warns China

Reuters. BEIJING — Despite recent signs that China has given up its austerity drive, the economy is growing too fast and the government must keep a tight grip on money supply to restrain inflation, a World Bank official warned on Monday. "The growth in the issue of money is still too high," said Hwa Er-chung, a senior economist in the World Bank's Beijing office, in an analysis in The People's Daily.

AUTOMAKERS: Japanese Lobby for a Chance to Get a Part of China's Fast-Growing Car Market

Continued from Page 1. The next century, the market could rise to 10 million units a year, putting it in the same league as the United States and Europe. "We have to enter the market early to carve out a share," the executive said. Getting in on growth in China is especially important because Japanese domestic car sales are slumping for the third straight year.

Some companies estimated 100 billion yen (\$935 million) would have been needed to set up a full-scale facility. But that was deemed too great a risk given unclear demand for vehicles and China's political instability. Moreover, in the early 1980s, the Japanese were preoccupied with setting up assembly facilities in the United States, and later, in West-

ern Europe. They lacked the resources to move into China, even if they had wished to. Their investment was delayed due to protectionism in the U.S. and the EC, complained Kazuo Yawata, a director of the Ministry of International Trade and Industry's North and East Asia division. This, he explained, forced Japanese to set up local facilities in those areas and gave Western companies the means to expand into China.

In the end, Beijing established a policy of allowing three large, three small and two minor joint ventures. These companies are protected by tariff and tax barriers of from 245 to 300 percent. Nonetheless, China is likely to import about 300,000 vehicles this year. Of the three large projects, Volkswagen AG of Germany has two and the Citroen unit of France's PSA Peugeot Citroen SA has one. Foreign partners in the three small projects are Peugeot, Chrysler Corp. of the United States, which makes the Jeep, and Daihatsu Motor Co. of Japan.

The minor projects produce vehicles with less than 1,000cc displacement. They are with two Japanese companies, Suzuki Motor Co. and Fuji Heavy Industries Ltd. maker of Subaru cars. The Japanese projects, however, are limited in scale. Only Suzuki has a capital stake. And the scale of its venture is modest. "If you don't have any capital and managerial input, you're unable to learn the rules of the game," said Martin Posth, chairman and president of Volkswagen Asia-Pacific Ltd. in Hong Kong. VW, whose Shanghai plant will crank out 100,000 cars this year, is by far the largest carmaker in China.

The Japanese, however, hope their chance will come as China overhauls its motor industry policy. In line with this month's decision by the governing Communist Party to accelerate its transition to a market economy, the State Planning Committee is preparing to issue new guidelines next spring. They will aim to rationalize a sector that remains a salient reminder of the inefficiency of central planning, with 131 companies assembling vehicles and more than 4,000 parts makers. The most likely idea: consolidate the companies into groups to foster greater economies of scale. Officials made it known they would welcome participation by Japanese car parts makers. But it's unclear whether additional Japanese car assemblers will be invited. If not, few parts makers — closely linked to carmakers in keiretsu corporate groupings — would go it alone.

Investor's Asia. Table with columns for Exchange, Index, Monday Close, Prev. Close, % Change. Includes data for Hong Kong, Singapore, Tokyo, Sydney, etc.

Very briefly:

- Isuzu Motors Ltd. expects to dismiss 1,000 factory contract workers when their employment term expires in October 1994, a spokesman said. Mazda Motor Corp. said it was laying off 25,000 employees in Japan for one day, its second such move in the past week.

MALAYSIA: Plunging Market Underscores Japanese Loss of Confidence

Continued from Page 1. tomized to the government's paternalistic hand over the markets. "The expectation is that somebody has to do something," said Kenji Matsui, the market strategist at Barclays de Zoete Wedd Securities here. "They always have before."

That weak performance has prompted calls for a big reduction in income taxes, but Mr. Hosokawa recently decided to defer a decision on taxes until early next year, in large measure because he is engaged in a huge battle to pass bills to clean up the corrupt electoral system. Yasuhiko Jinza, manager of the stock investment department at Nippon Life Insurance Co., the country's largest private investor, described the market's plunge as dangerous but in line with the fundamental health of the economy and corporate Japan.

He said one of the biggest problems is not so much the government's policies as the way the government has presented its economic views to the frightened public. "Measures have come out piecemeal, not as a package," Mr. Jinza said. "And the things they are talking about are all very long-term. Like deregulation. That has created the worry that the government does not appreciate the real problems. If they presented the policies as a package, together, it might do more to improve market psychology."

Mr. Jinza said he is doing a modest amount of bargain-hunting, but that the Nikkei index could well fall to 15,000 or so before it hits stiff resistance. "A lot of people are saying that the Finance Ministry should have let the market go last year and we wouldn't be going through this now," said Kevin Morgan, who trades stock index futures contracts here with Lehman Brothers. "At this point, it looks like we're going a lot lower."

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF PANCURRI INC. IS DUE TO TAKE PLACE ON THE 18TH DECEMBER 1993 AT 8 QUEENSWAY HOUSE, QUEEN STREET, ST. HILIER, JERSEY, CHANNEL ISLANDS COMMENCING AT 9:00 A.M.

CURRENCY AND CAPITAL MANAGEMENT SERVICES. CURRENCY MANAGEMENT CORPORATION PLC. Winchester House, 77 London Wall - London EC2M 2ND. Tel: 071-382 9745 Fax: 071-382 9487.

AMEX Monday's Closing. Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 100s, High, Low, Latest, Chg. Lists various stock prices.

Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 100s, High, Low, Latest, Chg. Lists various stock prices.

Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 100s, High, Low, Latest, Chg. Lists various stock prices.

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Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 100s, High, Low, Latest, Chg. Lists various stock prices.

SPORTS

Intrum Gets Break in Whitbread

By Keith Wheatley

Special to the Herald Tribune
SOUTHAMPTON, England — The W60 class sloop Intrum Justicia overtook the crippled New Zealand Endeavour and sailed into the lead of the Whitbread Round the World Race on Monday after the giant maxi ketch had the top of its smaller mast broken off.

According to the latest reports, Intrum Justicia, under its new British skipper Lawrence Smith, was a dozen nautical miles in front.

Endeavour's skipper, Grant Dalton, described the loss of the top six meters of his mizzen mast as a "frankish accident."

"We came off an awkward wave, broached and lay over, the end result being one of the ends of the very top spreaders got ripped off," said Dalton.

Sails had been cut down to fit the shorter rig and "we are still racing and still doing 14 knots," Dalton radioed shortly after the incident.

"Within a few hours we expect to have the boat racing at 85 percent efficiency."

However good that sounded, the 85-foot yacht was still a V8 now firing on seven cylinders.

At the weekend, Endeavour had rounded Prince Edward island 65 miles ahead of Intrum, and with a 116-mile cushion over Merit Cup, its nearest rival in the maxi class. The uninhabited rock, 1,200 miles (1,950 kilometers) southeast of Cape Town, is the halfway point in the 7,500-mile second leg run from Punta del Este, Uruguay, to Fremantle, Australia.

Tokio was just 2.5 miles behind Intrum and second in the W60 class, although fog prevented visual contact. Indeed, Intrum Justicia reported missing a small iceberg by only 40 meters.

But at Prince Edward, Intrum's skipper Smith took one of the tactical gambles that are his hallmark and dove southeast looking for

heavier breeze. Tokio, followed by Yamaha and Wilson, headed due east and straight for Fremantle.

A day later, Intrum had a 59-mile lead over Tokio, with the third- and fourth-placed boats more than 100 miles astern.

Intrum's navigator, Marcel van Triest, said by satellite phone that "we are now in a high pressure system with 18 knots of west-northwest breeze and will continue to build up, but it probably won't reach us until we pass Kerguelen Island in about three days time."

Smith said "our aim is to hold the current lead for the remaining 3,000 miles to Fremantle. Of course there is always a risk that the northerly boats will get some more wind and gain some on us, but the crew are in high spirits."

Van Triest, for one, had reason to be. The Dutchman had made a "heavy bet" with Kiwi navigator Mike Quiller that the smaller yacht could cut at least 50 miles off the maxi's lead, which Intrum had managed over the weekend, even before the damage to Endeavour.

The smaller boats were faring better than the maxis, with the speed record for this Whitbread having been broken three times since Thursday.

The latest to do so was the Italian entry Brookfield, which covered 394.4 nautical miles in 24 hours, for an average of 16.4 knots. The Whitbread record for a 24-hour period is 411 miles, set by the Spanish yacht Fortuna in the 1989-90 race.

Still, the Endeavour campaign in this 32,000-mile race was far from finished. A spare \$2,000,000 aluminum mast has been kept on standby at London's Heathrow airport, ready to be airfreighted to wherever in the world it is needed.

And 30 hours after the mishap, Endeavour was still 72 miles ahead of its closest maxi rival, Merit Cup.



Austrians Dominate Cup Skiers

By Chris Dufresne

Los Angeles Times Service
PARK CITY, Utah — Italy's Alberto Tomba crashed and an American did not.

These were among the few unexpected events on a weekend in which the Austrian ski team boomed the World Cup world with its depth and dominance.

One day after Austria's Grotzer Mader won the giant slalom, veteran Thomas Stangassinger claimed the slalom title when another Austrian, the upstart Siegfried Voglreiter, lost a commanding first-run lead after he missed a gate just yards from the finish line Sunday.

But much of the excitement of the slalom race was lost when Tomba, who was second in Saturday's GS, took a tumble in the first run and was disqualified.

The news from the U.S. ski team was better, although it couldn't have gotten worse. After bombing in Saturday's GS and drawing the ire of the coaching staff, the U.S. men recovered somewhat when Matt Groesjain finished 13th and teammate Erik Schlopy 18th.

Of course, everything is relative. In Austria, where world-class skiers are stacked avalanche-deep and the theory of natural selection lives and breathes, such finishes might be grounds for deportation.

"If he (Voglreiter) makes a normal second race, I cannot win the race," Stangassinger said. "But skiing is an individual sport. I must look out for myself. That's important."

Stangassinger's winning time for the two runs was 1 minute, 35.34 seconds. Slovenia's Jure Kosir was second in 1:35.98, with Norway's Finn Christian Jegge third in 1:36.06.

The Austrians had four of the top 11 finishers Sunday and two of the top 10 in Saturday's GS.

Stangassinger, 28, had two previous World Cup slalom victories, but the pressure for an Austrian to win is constant because there's always someone to take your place.

"It's like a forest with a lot of good trees," Werner Margreter, the Austrian coach, said of his skiers. "They all grew the same height, so we have to chop out some."

The U.S. team brass turned some screws of its own after not qualifying a single skier for a second run in Saturday's GS.

Paul Major, the U.S. alpine director, threatened to ship some of his A-team skiers to the Europa Cup tour, the equivalent to being sent to the minors.

"To show up at a World Cup and not qualify is not acceptable," Major said. "It's like we threw this great party and they (the Europeans) took our money and left."

A quality performance from the 23-year-old Groesjain was expected. He is America's top-ranked slalom skier.

Schlopy's finish was a ray of hope, considering he is trying to rebound from a horrific crash at last winter's world championships in which he suffered a broken sternum and two compressed vertebrae.

"Schlopy is a surprise, but a good surprise," Ueli Lutzi, the U.S. men's coach, said. "We'll take that any time."

Sweden's Tomas Fogdøe, tied for second after the slalom's opening run, on which Alberto Tomba fell, hooked a ski tip and, with Marc Girardelli of Luxembourg, exited the course on the second run.

Economic Woes Beset America's Cup

By Barbara Lloyd

New York Times Service
NEW YORK — The economic malaise that has deflated many of the world's economies appears to have also taken the wind out of several sails in the America's Cup races.

With the next cup trials scheduled to start in January 1995, modern practice dictates that most contenders would be packing now to move to San Diego. But the only team among the 14 challengers that seems to be stirring is the Japanese.

Money, it appears, is at the root of the problem as never before.

On the American side, the two official defense groups, Team Dennis Conner and Kevin Mahaney's Pact 95, are struggling to find more sponsors to fund their \$15 million to \$17 million campaigns. And Bill Koch, the rich and successful America's Cup defender against Italy in 1992, refuses to say whether he's in or out for 1995.

The high-profile team from the Yacht Club de France, led in 1992 by the cup veteran, Marc Pajot, this time is caught in a battle with cup officials over which of two yacht clubs it claims to represent.

And Paul Cayard, the tenacious skipper who took Italy's Il Moro team into the final cup match against Koch's America3, is struggling in Europe to gather new sponsorship. The death last summer of Raul Gardini, the wealthy entrepreneur who was enmeshed in Italy's recent political scandals, has left the Italian cup team without a benefactor.

La Dow said that the slow pace of the 1995 cup campaigns also is related to experience. In 1992, the eight challengers and two American defense teams were faced with having to design

boats to the new 75-foot International America's Cup Class.

"Last time, everybody had to start with a blank piece of paper," La Dow said. "This time, the design is not new. A one new-boat program will get the job done."

Koch's refusal, meanwhile, to reveal his intentions has wrangled San Diego officials. The billionaire yachtman has made private overtures to create an all-women's team for 1995, but has not gone forward publicly with the plan.

Cable said Koch's indecision is making it more difficult for the other two defense teams to raise money. Companies are likely to be "holding out for Koch," he said. "He was the winner last time, and they want to be with the winner."



Chris Webber being helped off the court by teammates: "This is pretty frustrating."

Warriors Defeat Pistons But Lose Webber Again

Compiled by Our Staff From Dispatches
AUBURN HILLS, Michigan — Not even a month into his rookie season in the National Basketball Association, and Chris Webber is already performing like the rest of the big names on the Golden State Warriors.

That is, he can't stay healthy.

The Warriors beat the Detroit Pistons, 91-88, on Sunday night but in doing so they lost Webber to the ranks of Tim Hardaway, Sarunas Marciulionis and Chris Mullin.

Webber, who missed most of the preseason after undergoing an appendectomy, then sat out the first two games of the regular season with a sprained left ankle, re-injured the ankle in the first period when he stumbled over Bill Laimbeer's foot after grabbing a rebound.

The 6-foot-9, 245-pound rookie from the University of Michigan left the game and did not return. X-rays were negative and he was to be re-examined Monday in Oakland.

It was Webber's first game in The Palace as a pro and the arena was filled. His parents, plus Michigan's coach, Steve Fisher, were seated at court-side.

"It hurt really bad," Webber said. "I thought I did some serious damage. The first thing I saw was my parents, sitting on the floor, and I was like, 'Oh, man, I can't believe this.' This is pretty frustrating."

He was averaging 17 points and 11 rebounds through nine games this season.

Latrell Sprewell, who scored 21 points, sank a 3-pointer with 1:44 left on the clock — and one second remaining on the shot clock — to give the Warriors the lead for good at 89-88.

Sprewell also grabbed 11 rebounds, while Billy Owens added 21 points and a career-high 22 rebounds and Victor Alexander chipped in with 19 points for the Warriors.

"I had to step up tonight on the boards, because Chris usually gets most of them," Owens said. "We were a little in shock." (UPI, AP)

Defections Reach 39

The Associated Press

SAN JUAN, Puerto Rico — The number of Cuban athletes and officials defecting at the Central American and Caribbean Games had grown to 39 by midday Monday.

One of the latest was Andres Gibert, Cuba's best basketball player, sports officials said.

Fourteen defectors formally sought political asylum Monday at the U.S. Immigration and Naturalization Service office in San Juan.

"It was an opportunity, and I took it," Mario Hernandez, a Communist Party member and a sports editor for Cuba's official Prensa Latina news agency, said as he entered the Federal Building.

Those interviewed have given poor economic conditions and a lack of political freedom as their reasons.

But the rush to flee may also reflect the ease in which Cubans can gain U.S. residency. Under a 1996 congressional act, nearly all Cubans who make it to U.S. shores can stay, an immigration status not given to any other nationality. Cubans have been encouraged by exiles living in Puerto Rico to flee, and one exile group even hired a plane trailing a banner with a phone number for Cuban delegation members interested in defecting.

DENNIS THE MENACE



JUNIPER THAT DORMANT WORD GAME

Use the letters in the words below to form 10 ordinary words.

DURIL _____

SHAQU _____

ROESIE _____

SWORDY _____

Answer: _____

PEANUTS



CALVIN AND HOBBES



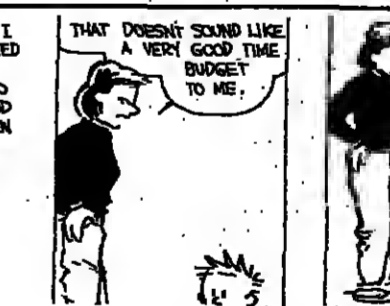
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ART BUCHWALD

Walking-Around Cash

WASHINGTON — For some reason the Ed Rollins's mea culpa over the New Jersey gubernatorial race shocked a lot of people. It was hard to admit that political handlers use campaign funds to keep citizens from voting. But it happens more than anyone realizes. The Sunday before the election I took a walk in Jersey City with Hunter Dempsey, who was managing Barry Brookstein for election to the Jersey City Recycling Commission.



Buchwald

Hunter confided that this would be an opportunity to witness American elections as they really work. "This is a tough contest and requires tremendous ingenuity to assure victory for my candidate. Whenever I have a close race I go to church." "To pray?" "No, to talk to the minister about ways of keeping his flock from doing something stupid like voting." "How do you do that?" "Most churches need a new roof or new pews. I assure the ministers that Barry is a man of God and wants them to have some money for their church — with no strings attached." "That's good of you," I told Hunter. "I don't know any managers who would give campaign money away like that."

ministers. They refused to promise that they would ask their parishioners not to vote on Tuesday. By the same token they would tell them that if they did, they couldn't be buried in consecrated ground. Having made all our church stoves Hunter informed me that we now had to dispense with his "walking-around money." He showed me a satchel of cash he was carrying. "Walking-around money is what we give out to the electorate who need help to get through the week. Some years we present it to people for their vote, and other years we give it to those who promise not to go to the polls."

"How do you know they won't take the money and go to the polls anyway?" I asked Hunter. He explained, "We have everybody's name. If they vote when they shouldn't, they'll never see a dime from us again." Hunter stopped in front of a man sitting on the sidewalk with his back against the wall. "Sir, are you going to vote on Tuesday?" "I will if you give me \$10." "We don't want you to vote." "O. K., make that \$20. For someone like me it's always harder not to vote than it is to pull a lever." Hunter handed the man a \$20 bill and said, "Use it for the lottery and not for food." The next person we met was filling in potholes for the city. "You planning on voting on Tuesday?" Hunter enquired. "I'd like to if there was an incentive in it." "Suppose I gave you enough money to go to the movies instead of voting. Would that make any sense?" "Nothing makes any sense in New Jersey. So I don't see why this should. I'll take the money."

British Theater Awards

LONDON — "Arcadia," Tom Stoppard's play about love, death, and landscape gardening, and "City of Angels," a musical import from Broadway that closed Nov. 13, were named the year's best shows Monday at the annual Evening Standard Drama Awards.

The last person we spoke to was a woman who was highly insulted when Hunter suggested that she stay away from the polls. "You're trying to buy my vote," she said indignantly. "That's not true," Hunter retorted. "We just want to share with you the receipts of the great American political dream."

Music and Violence: Gangster Rap on Trial

By Calvin Sims

NEW YORK — From Mozart to Frank Sinatra to Michael Jackson, popular music has a long history of run-ins with the law.

But the recent arrests of three major hip-hop artists on charges including sexual assault and murder have heightened concern that some of these performers, particularly the stars of gangster rap, have become dangerous emblems for an immensely popular musical genre that celebrates violence, gangs, guns and sexual conquest.

In the aftermath of the arrests, public officials and other critics of rap are again asking what influence, if any, the music and its artists have on the larger society. "For years, these rappers have been preaching drug culture and violence," said Curtis R. Tucker Jr., a California Assemblyman from Los Angeles. "But now they are openly living that lifestyle, and that will have a devastating effect on our young people who emulate the way these rappers dress, talk and act."

Perhaps the most prominent of those arrested is 22-year-old Tupac Shakur, who was indicted Thursday for participating in a sexual attack on a woman in a New York hotel.

Shakur, a California whose acting in "Juice" and "Poetic Justice" won critical praise, was charged only last month in the shooting of two off-duty police officers in Atlanta. Some of Shakur's best-known lyrics on his 1991 "2pacalypse Now" album discuss gang members shooting police.

Also facing criminal charges is the fast-rising rapper Snoop Doggy Dog, whose debut album, "Doggystyle," went on sale last week and ranks among the fastest-selling recordings in recent memory. The 22-year-old California performer, ex-Calvin Broadus, was indicted earlier this month in Los Angeles Superior Court for murder. Police say that Broadus's bodyguard did the shooting and that the rapper drove the car they were riding in.

Flavor Flav of the group Public Enemy was arrested this month in New York's Bronx and charged with attempted murder after police were told that he had shot at a neighbor during an argument. Flav, whose real name is William Drayton, led officers to his apartment, where they found a loaded 38-caliber semiautomatic handgun with one round missing, police said. Gangster rap, which many of its aficionados see as validating the turbulent and deadly streets of an America denied, is the latest manifestation of hip hop, which first washed over the United States in the mid-'70s. Like most of mainstream hip hop, its market is suburban.



Tupac Shakur has been charged in a sexual attack and a shooting.

ing the world about life in the inner city has now been proscribed by a new school of thought that it is all right to kill and rape and abuse drugs," said Tucker, who is encouraging radio stations in his district not to play the most violent forms of rap. Shakur, Broadus and Drayton, who have all proclaimed their innocence, declined to be interviewed for this article.

Like Broadus, many of the rappers share a culture where education is discounted, poverty is the norm, mothers are the main parent and prison — or early death — is destiny. Caught in the high beam of stardom, many performers find themselves on a well-worn, meteoric path, sometimes punctuated by drug addiction and bankruptcy.

raping people and sitting around a table playing cards and drinking 40-ounce bottles of beer?" said Stanley Crouch, music critic and author of "Notes of a Hanging Judge: Essays and Reviews 1979-1989." "They are not rebelling against anything," Crouch said. "They are a bunch of opportunists who are appealing to an appetite that America has for vulgarity, violence and anarchy inside Afro-America."

Kevin Powell, who writes about rap music for Vibe magazine and describes himself as a young man who grew up in the ghetto, said that while he believes rap is a legitimate art form, the hard-core side of the genre has gone too far. He faults the music industry for not exercising some degree of control.

"This new wave of rap music has influenced black children in a bad way," Powell said. "It's made us think that being hard is the sole definition of being black in the 1990s. It's almost as if we have become the minstrels of the 1990s. White people are sitting back and saying, 'let's watch the niggas wave guns in videos and talk' — he used an expletive — "and grab their crochets and amuse us."

Defenders of hard-core rap say that rappers are not the only artists who run into trouble with the law, citing the recent arrest of Pearl Jam's singer Eddie Vedder for drunkenness and disturbing the peace. Moreover, the late French writer Jean Genet, in and out of jail most of his creative life, qualifies as art's prototypical bad boy.

Supporters of rap music say the genre is attacked because society does not consider it a real art form and because it is dominated by blacks. "You can't penalize an artist for being a thing in his private life," said Michelle Simtosuosco, assistant program director for KKBT-FM, a radio station in Los Angeles.

Many in the rap world see the recent troubles of some rappers as reflecting the problems of poor young black and Hispanic males. "Even though they are successful rappers, they still face many of the same conditions, prejudices and problems that other people of color face," said the rap impresario Russell Simmons, chief executive of Rush Communications. "I don't like the trend toward so many gangsta records in rap, but I am an art dealer and that's what is selling now," Simmons said. "Art is the time and place in which you are from. A couple of guys came along rapping about frustrating conditions in their community and they had commercial success. It's just a trend, and it will pass and something new will come along."

What is rebellious about a bunch of Negroes going around murdering people, larity is due to its rebellious nature — set to a beat you can dance to. Rap artists, more than Bruce Springsteen and Guns N' Roses, have become the rebels of the 1990s. "The main thing that comes through in rap is anger, regardless of the lyrics," said Todd Gitlin, professor of sociology at the University of California at Berkeley. "No matter what your background, young people across America have something to be angry about, and rap allows them to express that anger. It's the beat, the lyrics, the percussion, the boom boom, get out of my face."

But some observers see more tragedy than triumph in the latest crop of hip-hop stars. "What is rebellious about a bunch of Negroes going around murdering people,

PEOPLE

Generation Gap: Zsa Zsa

Dismisses Competition

Zsa Zsa Gabor finds it "disturbing" that Shannon Doherty, who plays Brenda on "Beverly Hills 90210," has been described (probably by Doherty's publicist) as the "90s Zsa Zsa." Doherty's reputation for carousing with rock stars and marrying on a whim — to Ashley Hamilton, the son of actor George Hamilton — is more child's play, she 75-year-old Gabor said on a TV talk show. "She's a bad girl — I was outrageous because things happened to me. My house burned down and the police beat me up!" Gabor added that she is well-acquainted with Ashley Hamilton. "I used to change his diapers."

Paul McCartney says he, George Harrison and Ringo Starr will have a reunion in London in January, part of a TV homage to the Beatles.

Gérard Depardieu on Monday awarded the \$30,000 Cyril Collard Prize to the film directors Laurence Ferreira Barbosa and Pierre Salvadori. The prize was created last May at the Cannes Film Festival by the Franco-German television network Arte, to encourage young directing talent. It is named for Cyril Collard, the French film director who died of AIDS in March at the age of 35.

Tom Arnold and his wife, Roseanne, will be paired against Hulk Hogan and the restaurateur Robert Earl in a dessert-eating contest in Los Angeles to raise money for the Tom and Roseanne Arnold Foundation for Abused Children.

Three martial arts enthusiasts walked 3,700 miles to Seattle from Mongolia to pay homage to Bruce Lee on what would have been the kung-fu legend's 33rd birthday. Panchabhai Bhatnagar, 37, a martial arts teacher, Likhobaghar Manabhai, 20, a student, and Ishanwar Dandekar, 59, a former doctor for the Mongolians. Olympic wrestling team, visited Lee's grave. Donations from Lee fans provided hot meals and a plane ride across the Bering Strait.

INTERNATIONAL CLASSIFIED
Appears on Pages 8 & 9

WEATHER

Forecast for Wednesday through Friday, as provided by Accu-Weather. Includes maps and temperature tables for Europe, North America, Asia, Africa, Middle East, Latin America, and Oceania.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to the puzzle of Nov. 29.

Large advertisement for AT&T with the headline "I wonder if the little guy had fun today?" and a photograph of a child.

AT&T Access Numbers advertisement listing international phone numbers for various countries.

Small advertisement for AT&T services, including international calling and access numbers.